

Half-year results - 2014



€16 bn
Portfolio



"Strategic success and good operating performance in the first half of the year strengthen our property positioning on promising markets and high quality buildings. This allows us to meet our objectives for the year, despite a difficult business environment".

Christophe Kullmann - Chief Executive Officer

FONCIERE DES REGIONS

2014 objectives confirmed

Strategic success in the 1st half of the year

€288m

Rental income
+0.2% like-for-like

- Offices: sustained rental activity
- German Residential: acceleration of investments
- Hotels: new partnerships to continue growth
- Logistics exit

A reinforced property positioning

96.7%

Occupancy rate

- One focus Offices and two diversifications (German Residential and Hotels)
- 5.9 years in firm lease maturity
- Already 44% green offices in France

Strong half-year results

€74.3 per share
EPRA NAV

- Occupancy rate increased to 96.7%
- 0.9% growth in portfolio value on a like-for-like basis
- EPRA Recurring Net Income (RNI) of €164m (+10%)

€164m

EPRA RNI
+10%

Outlook

- Confirmation of increased EPRA RNI for 2014 (Stable per share)
- €1.4b Offices France pipeline (+40% over one year)
- Our objective: to be leader on our markets

A limited-scope audit was performed on the half-yearly financial statements. The limited-scope report is in the process of being issued.

A reinforced property positioning

Foncière des Régions now has a portfolio of €16 bn (€9.5 bn Group share) focused on the Offices sector, rented to large companies, with two diversifications on solid and promising markets: German Residential and Hotels/Service sector. Foncière des Régions uses a partnership strategy with a big-name rental base including Suez Environnement, Thalès, Dassault Systèmes, Orange, EDF, IBM, Eiffage, Accor, Telecom Italia, etc.

The strategic successes of the 1st half strengthened this property positioning, allowing for solid growth:

- in Offices, Foncière des Régions continued the investments in its pipeline. The 18 projects underway are now prelet to 75%, for a yield of over 7%
- in German Residential, current investments reach €335m (€200m group share) and have increased the proportion of our target locations to almost 80%
- in Hotels, Foncière des Régions has signed a new partnership with NH Hotel Group and continues to support its partners with the laying of the 1st stone of the 4* Golden Tulip hotel (Louvre Hotels Group) at Euromed Center and the delivery of two B&B hotels.

Foncière des Régions has accelerated its plan to dispose of non Core assets with the sale of €680m Group share, €500m of which was in Logistics. The portfolio, 90% of which is strategic assets, has solid trump cards and an occupancy rate of 96.7% as well as an average firm lease duration of 5.9 years.

Half-year property activity: successes on our promising markets

- **Resistance in rental income like-for-like: +0.2%**
- **Occupancy rate increased to 96.7% (+0.7 points)**
- **Average firm lease maturity: 5.9 years (+0.1 year)**
- **Growth in values like-for-like: +0.9%**

Thanks to the strengthening in Germany and despite the impact of disposals, rentals amount to €287.7m GS, up 18% and 0.2% on a like-for-like basis.

Rental income GS at the end of June 2014

	Rental Income (€m)	Var. on lfl basis	Occupancy rate	Residual term of leases
Offices - France	121.5	+0.3%	96.1%	5.3 years
Offices - Italy	59.0	-0.8% ¹	95.7% ¹	6.7 years ¹
Offices	180.5	-0.1%	96.0%	5.7 years
Germany Residential	49.4	+2.0%	98.6%	na
Hotels/Service Sector	24.8	-1.1%	100%	7.3 years
Other	33.1	na	na	na
Total	287,7	+0.2%	96.7%	5.9 years

¹ Core Portfolio



Indexation: +0.6%
Occupancy rate: -0.5%
Letting renewals: +0.1%

Offices France: a dynamic six month period

(€4.7bn of portfolio wholly owned; €4.1bn GS)

- Slight growth in rental income like-for-like: +0.3%
- Occupancy rate increased to 96.1% (+0.3 points)
- Firm maturity of leases: 5.3 years
- Growth in values like-for-like: +1.3%
- Already 44% of the portfolio green (+3.0 points)
- Pipeline: €1.4 bn (+40% over one year)

The rental successes of the six-month period have **increased the occupancy rate**, to the level of 96.1% (vs 95.8% at the end of 2013). This increase is mainly due to the commercialisation of 10,750m² in Tower CB 21 (7,100m² of which was taken into account on 30 June), 97% of which has now been rented. The lettings also partly offset the six-month mechanical loss of the residual term of the leases, therefore the average firm maturity remains high, at 5.3 years (vs 5.7 years at the end of 2013).

The value of pipeline projects in Offices France is €1.4bn, **with significant growth (40%) over a year**. Almost €565m in projects are already underway accounting for around €40m in rental income per year (i.e. a yield of over 7%). These projects mainly involve property redevelopments and turn-key rentals. Over 72% of them have been preleased.

Over the six-month period, Foncière des Régions has continued the Astrolabe works (14,000m² with delivery planned in early 2015) on the Euromed Center project in Marseille, in which potential clients have already shown great interest. The Silex 1 building (10,600m²) redevelopment work in Lyon Part-Dieu has started, with delivery scheduled for 2016. Foncière des Régions has also laid the 1st stone of the Askia building (18,500m² to be delivered by 2015, co-owned 25%), as part of the Coeur d'Orly project, 50% of which has been prelet.

As part of its partnership model, Foncière des Régions signed **the 13,100m² extension to the Dassault Systèmes Campus** and the ten year firm lease extension (from the delivery of the extension, in 2016). Turnkey agreements have also been signed with Schlumberger for 3,150m² in Montpellier and with Bose for 5,100m² in Saint-Germain-en-Laye.

Foncière des Régions has continued the **quality rotation of its portfolio**, via the sale of €95.5m in assets, 60% of which were located in the outer suburbs and other French regions, for an average margin of 6.4% on the assessment values for the end of 2013. This dynamic asset rotation helped improve the Offices France portfolio, of a value of €4.1 bn GS, with 87% of assets located in Paris, in the inner suburbs and in major regional cities.

The six-month period saw an **increase in like-for-like values of 1.3%**, driven by the good performance of values in Ile-de-France (+1.0%) and in the major regional cities (+1.7%). The slight drop (-1%) in the other French Regions is mainly due to the increase in registration fees. There was a 5.2% gain on projects under development.

Italy Offices: solid fundamentals

(€4.1bn of portfolio wholly owned; €2.1bn GS)

- Slight fall in rental income on a like-for-like basis: -0.8%
- High occupancy rate: 95.7% (Core portfolio)
- Average firm lease maturity: 6.7 years (Core portfolio)
- Resistance of expert valuations: -0.2% on a like-for-like basis (-0.1% on the Core portfolio)

85% of the Italy Offices portfolio is located in Northern Italy, Milan and Rome, meeting most of the demand for office space in the Italian market. This positioning allows us to **retain solid property indicators**, despite an economic situation which is still difficult. The occupancy rate is 95.7% for an average firm lease maturity of 6.7 years (on the Core portfolio).

Rental activity saw **significant commercialisations**, at high rental values. 5,400m² i.e. c. 100% of the San Fedele building in Milan has been let. The San Nicolao development (Milan, 11,200m²) which was delivered this year, has been prelet to the Luxottica Group for 13 years, 7 of which firm and €5.4m in rental income. 84% of the Via dell'Arte building (Rome, 6,700m²), delivered in the 1st half of the year, has already been rented. The Corso Ferrucci asset (Turin, 51,000m²) delivered in the 1st half of the year is the subject of active marketing.

The quality rotation of the portfolio continued in the six-month period with the sale of €67m in small assets, for an average margin of 1.0% on assessment values at the end of 2013.

Rental income held up in a still-stagnant economic environment, with a slight drop of 0.8% on a like-for-like basis. The positioning of the portfolio on Core areas allows for **assessment value stability** over the six months (-0.2% on a like-for-like basis).

German Residential: acceleration of investments

(€2.6bn of portfolio wholly owned; €1.5bn GS)

- Growth in rental income like-for-like: +2.0%
- A very high occupancy rate (98.6%)
- Growth in values like-for-like: +1.5%

Present in Germany since 2005, Foncière des Régions increased **its exposure** to the German Residential market during 2013 and directly owns 60% of its subsidiary Immeo. The group now benefits from 16% portfolio exposure to German Residential properties and €1.5bn GS at the end of June (vs €0.8bn in 2012) via 40,000 residential units.

The six-month period saw the **acceleration of investments** with €335m (€200m GS) negotiated in promising cities. In July, 3,400 high quality residential units in Berlin and Dresden were acquired for €240m (€144m GS), based on an average yield of 6.3% and an average metric value of €1,200 per m². At the same time, €14m in assets were sold or were the subject of sale agreements (with an average margin of 8.8% on the assessment values at the end of 2013).

These rotations allow us to continue refocusing quality assets on target locations, which account for almost 80% of the current post operations portfolio (vs 63% in 2012).

The good indicators for the six-month period strengthen Foncière des Régions' positioning in Germany. Rental incomes grew by 2% on a like-for-like basis, to €49.4m GS (€83.4m wholly-owned), and the occupancy rate remains very high, at 98.6%. Also, the portfolio values, amounting to €1.5bn at the end of June, grew by 1.5% on a like-for-like basis (average yield of 6.7%), 5.2% of which is in Berlin and 2.3% in Dresden.

Hotels/Service sector - a leader in Europe

(€3.2bn of portfolio wholly owned; €0.8bn GS)

- Slight drop in rental income on a like-for-like basis: -1.1%
- Occupancy rate kept at 100%
- Increase in the average firm lease maturity: 7.3 years (+0.2 years)
- Growth in values like-for-like: +0.7%

Leader in hotel Real Estate, Foncière des Régions has long-term partnerships with major hotel chains (Accor, Louvre Hotels Group and B&B Hôtels). The six-month period saw the strengthening of this position with the signature of a **new partnership with NH Hotel Group** and the continuing of investments, particularly in Germany. The Hotels/Service Sector portfolio is fully let for 7.3 firm years, without expiry before 2017.

In June 2014, the company acquired the NH Amsterdam Centre hotel for a total of €48m excluding fees and a yield of 6.8%. Located in the heart of Amsterdam, this four-star hotel is leased to the NH Hotel group under the terms of an indexed, fixed-rent, 20-year, triple net lease.

Foncière des Régions supported its partner, the B&B Hôtels Group, by signing, in March 2014, a lease in advance of future completion for the development of a B&B hotel in the Paris region, in Romainville, for €6.7m and delivered the Porte des Lilas B&B hotel (€26m) at the end of June 2014. These two hotels are on 12-year indexed, fixed-rate firm, triple net leases. Foncière des Régions also signed a partnership agreement with B&B in January 2014 for **the development of nine hotels (900 rooms) in the centres of the main German cities** over the next three years for an investment of around €50m.

At the same time, since the start of 2014, six assets were sold or were the subject of sale agreements for a value of €59m (€17m GS). These transactions, performed **in line with the 2013 assessment values**, involved the last three clinics in the portfolio (€50m) and three retirement homes (€9m).

Rental income, of €24.8m GS at the end of June 2014, was down 6%, mainly due to the impact of disposals in 2013 and 2014. On a like-for-like basis, the slight drop of 1.1% is due to the underperformance of Accor revenues in France (-2.2%) and lease renegotiations for new 12 year leases on the Jardiland portfolio.

At the end of June 2014, the portfolio value, of €0.8bn GS (€3.2bn wholly owned), **grew by 0.7% on a like-for-like basis** (average yield of 6.3%). This increase was thanks to the +1.0% growth in the value of the hotels, while the value of healthcare and retail assets remain stable despite the increase in transfer tax.

Strong six-month results

Recurring Net Income EPRA: €164m, +9.6%

The Recurring Net Income EPRA was €164m GS in the first half of the year, **up 9.6% in one year**. This good performance is essentially a result of the strong performance by German Residential and the reduction of the cost of debt (to 3.48% vs 3.94% at the end of 2013), despite the impact of the disposals in 2013 and 2014.

Per share, EPRA Recurring Net Income stands at €2.61 per share, **up slightly (by 0.4%) on last year** due to the mechanical dilution effect of the share issue carried out in the 2nd half of 2013 in connection with the successful public exchange offer on FDL.

The Net income GS is €52m, compared to €205m in the 1st half of 2013, due to the negative effect of the changes in the fair value of financial instruments (-€145m), due to the attempts to drive down interest rates.

ANR EPRA/share: €74.3 per share

The financial debt of Foncière des Régions is secured with a stable LTV of 46.2% (vs 46.5% in 2013), and an average maturity of 4.2 years (vs 4.5 years in 2013). The strong operating results and the reduction of the average cost of debt enable **an improvement of the ICR**, from 2.49 to 2.76.

The ANR EPRA was €4 668m (€74.3 per share), down by 4.3% compared to the end of 2013. The sturdiness of the Recurring Net Income (€164m) and the growth in assessment values (€43m) partly offset the impact of distribution (€263m), traditional in the 1st six months, and the restructurings and hedging (€80m), which will have a positive effect on the cost of debt.

The EPRA triple net NAV was €4 059m and €64.6 per share, impacted by the recognition at fair value of the financials instruments and the Ornanes. Diluted for the Ornanes, the EPRA triple net NAV would be €4 932m and €67.1 per share.

Major refinancing in Italy

The first half-year has seen the launch of the ImSer debt refinancing, relating to a €1.7bn portfolio of Telecom Italia buildings. The operation, to be achieved by end-2014, is performed by Beni Stabili, a 50.9% subsidiary of Foncière des Régions, with €500m of new bank loans and a €150m capital increase, in which Foncière des Régions will participate. Beni Stabili will significantly reduce its average cost of debt, **improve its financial flexibility and its profitability**, with an estimated annualized impact around €30m.

Outlook for 2014 confirmed

The strong results of the 1st six months **comfort us of the effectiveness of our** partnership strategy which involves focusing on Offices along with two diversifications (German Residential and Hotels), on solid and promising property markets.

The quality of our portfolio, strengthened by the Logistics exit, and our pipeline of €1.7bn on promising markets, have enabled us to secure solid and profitable growth, at the European level, in order to meet one ambition: **to become leader on each of our markets**.

Despite the difficult economic environment, Foncière des Régions **has confirmed its 2014 objective** of a growing EPRA Recurring Net Income (Stable per share).

**A conference-call for analysts and investors
will take place today at 2:30 pm (Paris time)**

A presentation of the conference-call will be available
on the Foncière des Régions website: www.foncieredesregions.fr/finance

Agenda:

Q3 2014 revenue: 6 November 2014

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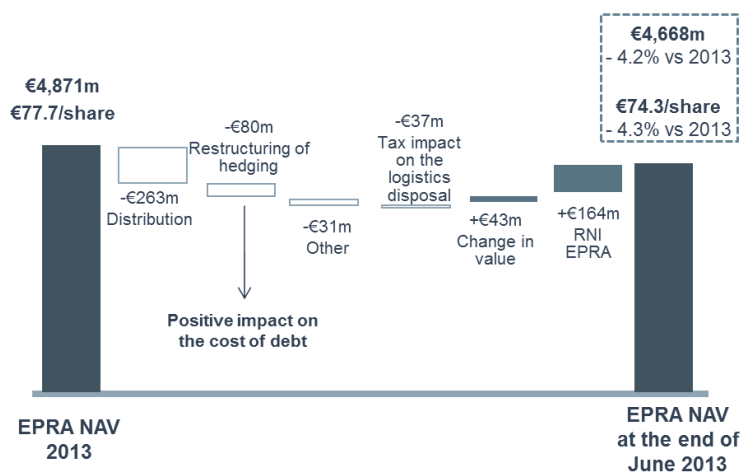
Appendix

Portfolio GS

€m	Value H1 2014 Total share	Value H1 2014 GS	Var. Ifl 6 months	Yield ED H1 2014 GS
Offices France	4,740	4,120	+1.3%	6.8%
Offices Italy	4,088	2,080	-0.2%	6.0%*
Offices	8,829	6,200	+0.7%	6.5%
German Residential	2,558	1,528	+1.5%	6.7%
Hotels/Service Sector	3,187	824	+0.7%	6.3%
Other	1,409	961	na	na
Total	15,982	9,513	+0.9%	6.5%

* Core Portfolio

Evolution of the EPRA NAV



Number of shares used in the calculation of the NAV/share: 62,796,034 shares for H1 2014 vs 62,708,431 for 2013

Simplified income statement (GS)

€m	H1 2013	H1 2014	
Rental Income	243.9	287.7	+18%
<i>o/w net rental income</i>	225.6	263.5	
Net operating costs	-18.0	-26.2	
Result from other activities	5.6	10.5	
Current operating income	213.2	247.8	+16%
Cost of net financial debt	-87.5	-89.8	
Recurring net income of MEE companies	15.9	7.0	
Income from non consolidated affiliates	8.9	0.0	
Pre-tax net income	150.5	165.0	+9.6%
Recurrent tax	-1.2	-1.4	
EPRA recurrent net income	149.3	163.6	+9.6%
Change in the fair value of real estate assets	12.5	43.3	
Changes in the fair value of financial instruments	53.6	-144.7	
Other	-5.8	-7.3	
Non-recurrent tax	-4.5	-3.2%	
Net Income	205.1	51.7	

Foncière des Régions, Real Estate Partner

A key player in service sector property, Foncière des Régions has built its growth and portfolio around a key characteristic value: partnership. With a total portfolio of €16 bn (€10 bn group share) focused on promising markets such as France, Germany and Italy, Foncière des Régions is now the recognised partner of companies and local authorities, which it supports in their property strategies with a dual objective: develop existing urban portfolio and design the real estate of tomorrow.

Foncière des Régions works mainly with blue chip companies (Suez Environnement, Thales, Dassault Systèmes, Orange, EDF, IBM, Eiffage etc.) in the Offices market. The Group is also active, in a pioneering and relevant way, in two other promising sectors: German Residential and Hotels.

Foncière des Régions securities are listed in compartment A of Euronext Paris (FR0000064578 - FDR), accepted on the SRD and is listed on the MSCI, SBF120, Euronext IEIF "SIIC France", CAC Mid100 indexes, on the benchmark indexes of the European REITS "EPRA" and "GPR 250", and on the ethical indexes FTSE4 Good, DJSI World and NYSE Euronext Vigeo (World 120, Eurozone 120, Europe 120 and France 20).

Foncière des Régions is rated BBB-/Stable by Standard and Poor's.

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1. MAJOR TRANSACTIONS DURING THE PERIOD

17 July
2014
Post Closure

Paris - La Défense: Foncière des Régions welcomes three new tenants in the CB 21 tower

Over 7,000 sqm let

Foncière des Régions has signed three new green leases in CB 21, representing 7,144 sqm in new leases: 3,486 sqm with Groupon, 2,157 sqm with a leading telecommunications company and 1,501 sqm with Wano, the World Association of Nuclear Operators. After these transactions, CB 21 has an occupancy rate of over 97%.

CB 21, a landmark tower in the business district, which already houses the headquarters of several large corporations (including Suez Environnement, AIG Europe Limited, Informatica and Nokia), now boasts several rental successes from companies in the “new economy”.

These companies chose La Défense, either by moving to the area or by reaffirming their location, and they chose CB 21 in particular because it meets their needs and expectations: quality of services, size and flexibility of the office spaces, comfort and services offered.

These leases prove that the market in La Défense, the 1st European business district, is very attractive. In fact, over the first six months of the year, approximately 100,000 sqm of offices have been leased in La Défense, a large portion of which resulted from companies moving into the area. This is a sign of the influence that this business district is exerting, and its attractive features are enticing companies to seek out locations that are accessible and equipped with services as well as new and high-performing office spaces.

26 June
2014

B&B Hotels and its partners VINCI Immobilier and Foncière des Régions inaugurated a new Econochic hotel in Paris on this Thursday, June 26

Paris, June 26, 2014 – The B&B Hotel Paris Porte des Lilas was inaugurated today by Dominique Ozanne, Chief Operating Officer of Foncière des Régions, Jean-Luc Guermonprez, Executive Vice President and Head of Hotel Operations with VINCI Immobilier, and Georges Sampeur, Chief Executive Officer of the B&B Hotels Group. With 265 rooms, the Paris Porte des Lilas hotel built by VINCI Immobilier and owned by Foncière des Régions is the 222nd and largest property in the family of B&B Hotels. Guests at the inauguration ceremony marveled at the ceremony’s Old Paris and lilac theme, but also the more modern theme of connectivity.

23 June 2014

First Stone Laid of the Golden Tulip Hotel in Euromed Center
An ambitious hotel development that will add to the vibrant urban culture in Euromed Center

At the start of 2013, Crédit Agricole Assurances and Foncière des Régions, the joint investors of a project mapped out by developers Altarea Cogedim and Crédit Agricole Immobilier, made a long-term commitment with the Louvre Hotels Group for the development of a 4-star Golden Tulip hotel within the district of Euromed Center in Marseille.

Situated in the heart of the largest office development being built in Marseille, the hotel will play a key role in the on-going vitality of this new district in the city that offers a mixture of urban activities.

20 June
2014

Foncière des Régions continues to strengthen its positioning on the German residential market

Acquisitions of 3,400 residential units in Berlin and in Dresden

Foncière des Régions, via Immeo AG, signed a purchase agreement for a portfolio of 3,400 residential units located in Berlin and in Dresden for approximately €240 million, fees and taxes included (€144 million, Group share). It represents an average value of about €1,200 per sq.m. Generating €15 million of annualized rent, this portfolio will generate an immediate gross yield of 6.3%.

This acquisition, which should be finalized by late July 2014, will be financed in part through bank debt and in part through a capital increase of Immeo AG.

With this transaction, Foncière des Régions confirms its strategy to strengthen its positioning on the German residential sector. A promising market in terms of residential property, Germany has value creation potential which is reflected in the regular increase of rents at constant scope and capital gains in the long term.

Operating in this market since 2005 with a high-quality local team, Foncière des Régions aims to diversify the geographic location of its operations by strengthening its presence in dynamic and attractive cities, such as Berlin, Dresden and Leipzig.

11 June
2014

Foncière des Régions acquires the “NH Amsterdam Centre” hotel**** from the NH Hotel Group

A new hotel real-estate partnership with a key European player

Foncière des Régions, through its specialist Hotel & Service-sector subsidiary Foncière des Murs, acquires an “NH Hotels” hotel from the NH Hotel Group in Amsterdam. This ideally-situated four-star establishment, with 232 rooms, is subject to a 20-year triple net fixed-term lease. The acquisition represents an investment of €47.9M (transfer taxes included).

This acquisition also paves the way for a new partnership for Foncière des Régions with a new brand, NH Hotel Group, which is one of the leaders in Europe and worldwide with 400 hotels and some 60,000 rooms spread across 28 countries. Foncière des Régions is thus embarking on a new stage in the realisation of its development strategy on the European ladder, whilst diversifying its hotel partnerships.

Relying on the dynamism and capacity for innovation of the NH Hotel Group, and on Foncière des Régions' 360° integrated expertise in hotel real-estate, the two partners intend to develop their partnership in Europe.

- 25 March 2014
- Sigrid Duhamel nominated as Director at Foncière des Régions**
- The appointment of Sigrid Duhamel as Director at Foncière des Régions has been approved by the Board of Directors and will be submitted to the Foncière des Régions General Shareholders' Meeting on 28 April 2014.
- Sigrid Duhamel is the Group Corporate Real Estate Director at PSA Peugeot Citroën. She is an acknowledged real estate professional with international experience and awareness who will enrich the qualifications level of the Board.
- She will act as an independent director in the meaning of the Afep-Medef Corporate Governance code. Following this appointment, 29% of Foncière des Régions' Board of Directors will be women and 50% of Board members will be independent directors.
- 13 March 2014
- Foncière des Régions accelerates its strategic refocusing by selling nearly 60% of its logistics assets for €473 million**
- Foncière des Régions has signed agreements with real estate funds managed by Blackstone to sell €473 million in logistics assets. These agreements concern 17 logistics platforms, representing a total surface area of nearly 750,000 sqm, located in France and Germany. The assets will be integrated into Logisor, Blackstone's European logistics platform.
- This transaction, which should be finalised in June 2014, will be carried out in-line with the last appraised values.
- With this transaction, Foncière des Régions accelerates its refocusing on its core business activities: the leasing of Offices to large companies, as well as the Hotels & Service sector and the German residential sector, two diversifications in solid and profitable markets.
- At the conclusion of this disposal, the Core business activities of Foncière des Régions will represent 90% of the Group's share of assets, compared to 85% at the end of 2013.
- 3 February 2014
- Support of B&B in its European expansion effort**
- Foncière des Régions, through its 28% stake in the company's FDM subsidiary, and B&B have signed a partnership agreement for the financing of nine new hotels in Germany over the next three years. The investment will amount to around € 50 million, strengthening the partnership that was initiated between the two groups in 2010.
- The protocol concerns the development of nine new B&B hotels, representing 900 rooms located in town centres of major German cities. This new partnership involves an investment of around €50 million. The new hotels, set to open between 2014 and 2016, will be let on 20-year leases with a net triple base rent.
- With this project, Foncière des Régions and B&B consolidate their partnership and continue to pursue their development policy in Germany, a strategic country for both entities.
- 22 January 2014
- Beni Stabili launches a €350 million bond issue**

As part of the diversification of its sources of financing, Beni Stabili launched a €350 million bond issue on 14 January 2014 maturing in 2018.

16 January
2014

Acquisition of the Eiffage Group's future Campus at Vélizy-Villacoublay by Foncière des Régions and Crédit Agricole Assurances

Foncière des Régions and Crédit Agricole Assurances acquired the future Eiffage Campus through a VEFA off plan sale from the Eiffage subsidiary and project developer Eiffage Immobilier. The 19 December 2013 deal gives the two investors ownership of the property where Eiffage Construction already has its headquarters.

During the 2nd quarter of 2015, the Eiffage Campus will bring together the Eiffage Group's five divisions, namely Construction, Public Building Works, Energy, Metals, and Concessions, together with the holding company, i.e. 1,600 employees in total.

The Eiffage Campus will include three new buildings designed by Jean-Michel Wilmotte on six levels including a basement, ground floor and four floors, and two underground car parking levels with 600 spaces covering a usable area of 23,000 sq. m, together with an existing 11,000 sqm building and 270 parking spaces, which is Eiffage Construction's current Head Office, designed by Jean-Paul Viguier.

The employees gathered on this single site will have collaborative working areas, areas to relax and exchange ideas, and a wide range of integrated services (auditorium, restaurants, a sports room, a library, and a concierge service, etc.) as well as a huge garden.

The project intends to be exemplary from an environmental standpoint and is aiming for NF Commercial Buildings – Exception HEQ Level Approach Certification, Effinergie+ certification, and BREEAM certification. The project was designed in accordance with the Eiffage Phosphore Laboratory HQVie® principles. The gardens will account for over half of the outside space, and 50% of the roof will be vegetated. The buildings will also be equipped with solar panels, rainwater catchment systems, high-performance water-saving appliances, and reversible heated/cooled ceilings.

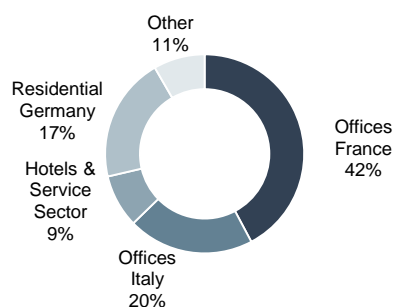
The acquisition of the Eiffage Campus enables Foncière des Régions and Crédit Agricole Assurances to boost their operations in this major commercial sector that is popular with key accounts.

2. BUSINESS ANALYSIS, GROUP SHARE

Note that Foncière des Régions increased its equity interest in Foncière Développement Logements following the public offer of exchange in August 2013. On completion of this public offer of exchange, Foncière des Régions held 59.7% of Foncière Développement Logements, which is fully consolidated as of 1 August 2013.

A. RECOGNISED RENTAL INCOME: up 18%

(€million)	100%			Group Share				% of rent
	H1 2013	H1 2014	Change (%)	H1 2013	H1 2014	Change (%)	Change (%) LFL*	
Offices France	135,4	127,6	- 5,7%	130,3	121,5	- 6,8%	0,3%	42%
Paris	43,4	41,5	- 4,5%	41,0	39,1	- 4,5%	0,0%	14%
Paris Region	51,4	50,8	- 1,1%	48,6	47,0	- 3,3%	0,0%	16%
Other French regions	40,7	35,3	- 13,2%	40,6	35,3	- 13,0%	0,0%	12%
Offices Italy	116,3	115,9	- 0,4%	59,2	59,0	- 0,4%	- 0,8%	20%
Core portfolio	114,8	114,7	- 0,1%	58,4	58,4	- 0,1%	0,0%	20%
Dynamic portfolio	1,5	1,2	- 22,6%	0,8	0,6	- 26,2%	0,0%	0%
Development portfolio	0,0	0,0	0,0%	0,0	0,0	0,0%	0,0%	0%
Total Offices	251,8	243,5	- 3,3%	189,5	180,4	- 4,8%	- 0,1%	63%
Hotels/Service sector	101,6	96,0	- 5,5%	26,4	24,8	- 6,1%	- 1,1%	9%
Hotels	70,7	69,0	- 2,4%	17,7	17,1	- 3,2%	0,0%	6%
Healthcare	11,3	8,7	- 22,7%	3,2	2,5	- 22,7%	0,0%	1%
Business premises	19,5	18,3	- 6,0%	5,5	5,2	- 5,6%	0,0%	2%
Total "Office - Key Accounts"	353,3	339,5	- 3,9%	215,9	205,2	- 4,9%	- 0,4%	71%
Residential	0,0	98,6	0,0%	0,0	58,5	0,0%	2,0%	20%
Germany	0,0	83,4	0,0%	0,0	49,4	0,0%	0,0%	17%
France	0,0	15,2	0,0%	0,0	9,1	0,0%	0,0%	3%
Logistics	28,0	24,0	- 14,3%	28,0	24,0	- 14,3%	na	8%
Total rent	381,3	462,1	21,2%	243,9	287,7	17,9%	0,2%	100%



Like-for-like rental income edged up 0.2%, with: Offices France up 0.3%, Offices Italy down 0.8%, Hotels and Service Sector down 1.1% and German Residential up 2%.

The explanation for this improvement lies in the very low indexation in the period, the rent renewals signed in 2013, as well as the maintenance of an occupancy rate above 96.7% end of June 2014.

As Group share, rental income totalled €287.7 million, an increase of 18% in the period. The rise was mainly due to the consolidation of the Residential business (+€58 million), and:

- investments (+€0.4 million)
- disposals (-€15 million, including -€4 million from disposals in Logistics)
- indexation and asset management (+€0.5 million).



■ Cost to revenue ratio by business:

	Offices France	Office Italy	Hotels & Service Sector	Résidentiel	Logistics	Total	
	S1 2014	S1 2014	S1 2014	S1 2014	S1 2014	S1 2013	S1 2014
Rental Income	121,5	59,0	24,8	58,4	24,0	243,9	287,7
Unrecovered property operating coats	-2,7	-6,1	-0,0	-2,3	-3,1	-12,6	-14,3
Expenses on properties	-0,7	-1,8	-0,0	-4,8	-0,8	-4,6	-8,2
Net losses on unrecoverable receivable	-0,1	-0,8	0,0	-0,8	0,0	-2,6	-1,7
Net rental income	118,0	50,3	24,7	50,5	20,1	224,0	263,5
Cost to revenue ratio	2,9%	14,8%	0,2%	13,7%	16,4%	8,1%	8,4%

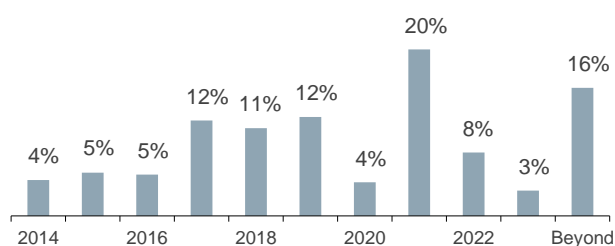
The cost to revenue ratio rose from 8.1% in H1 2013 to 8.4% in H1 2014, driven up by the inclusion of the Residential business, where the 13.7% cost to revenue ratio is higher than the Group average.

B. Lease expirations and occupancy rates

■ Annualised lease expirations: 8.1 years firm residual lease term (5.8 years firm)

€m*	By lease end date (1 st break)	% of total	By lease end date	% of total
2014	29,4	4%	19,3	3%
2015	35,4	5%	13,7	2%
2016	33,8	5%	5,5	1%
2017	78,1	12%	64,7	10%
2018	72,0	11%	57,7	9%
2019	81,0	12%	63,5	9%
2020	27,6	4%	35,9	5%
2021	136,2	20%	38,4	6%
2022	51,9	8%	53,2	8%
2023	20,9	3%	28,9	4%
Beyond	104,8	16%	290,4	43%
Total	671,0	100%	671,0	100%

Residential excluded



The average residual lease term, Group share, at the end of June 2014 was 8.1 years (5.8 years firm) as opposed to 8.0 years at the end of 2013 (5.8 years firm). In the Offices, it stood at 8.3 years (5.7 years firm).

Following significant rental activity and the sale of logistics assets, with short lease terms, the firm residual term of our leases has remained stable.

(year)	By lease end date (1st break)		By lease end date	
	2013	H1 2014	2013	H1 2014
GS				
France	5,7	5,3	6,8	6,5
Italy	6,9	6,7	12,6	12,4
Offices	6,1	5,7	8,5	8,4
Hotels & Service sector	7,1	7,3	7,1	7,3
Office - Key Accounts	6,2	5,9	8,4	8,3
Logistics	3,1	2,1	5,5	4,4
Total	5,8	5,8	8,0	8,1

■ Occupancy rate: 96.7%

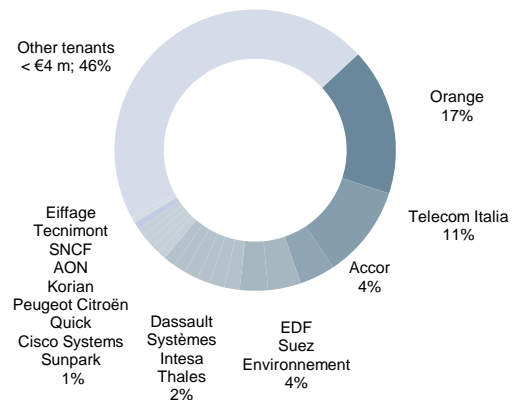
(%)	Occupancy rate	
GS	2013	H1 2014
Offices - France		
France	95,8%	96,1%
Italy	97,7%	95,7%
Hotels / Service sector	100,0%	100,0%
Office - Key Accounts	96,8%	96,4%
Residential	0,0%	0,0%
Germany	98,7%	98,6%
Logistics	85,5%	n/a
Total	96,0%	96,7%

The occupancy rate is 96.7%, excluding Logistics (95.8% including this segment). The occupancy rate rose 0.3% for Offices France to 96.1%, following leases signed in the first half in Tour CB 21, which is now nearly 97% rented.

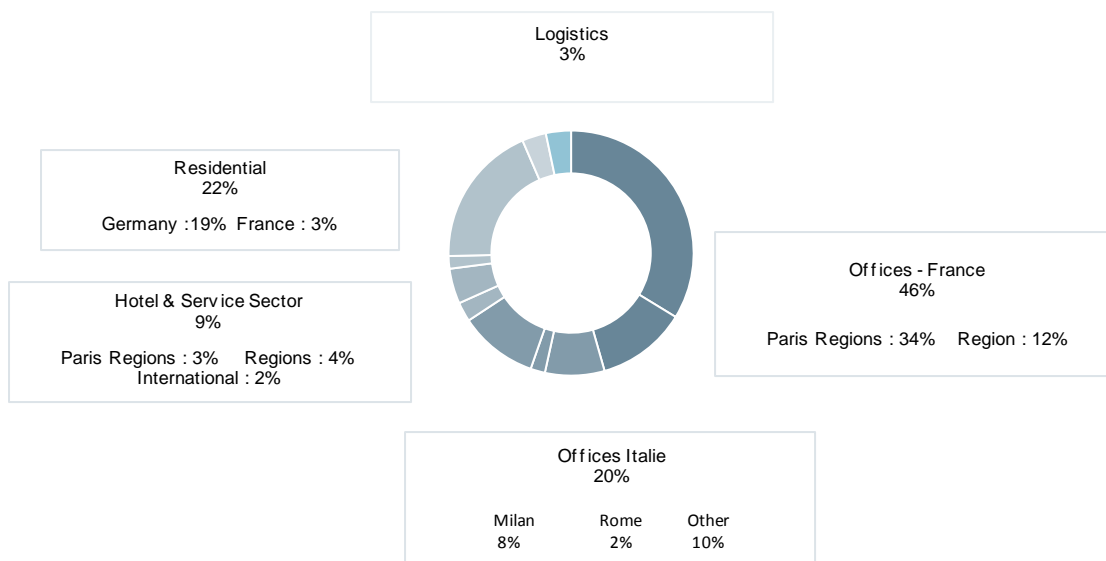
C. Breakdown of group share of rental income

■ Breakdown by major tenants: a strong rental income base

GS	H1 2014	%
Orange	94,4	17%
Telecom Italia	59,6	11%
Accor	22,8	4%
Suez Environnement	21,1	4%
EDF	18,1	3%
Dassault Systèmes	9,8	2%
Intesa	9,8	2%
Eiffage	7,9	1%
Thales	9,1	2%
SNCF	7,7	1%
Tecnimont	7,8	1%
B&B	6,3	1%
Korian	4,4	1%
AON	5,5	1%
Peugeot/Citroën	5,2	1%
Cisco Systems	4,8	1%
Quick	4,7	1%
Sunparks	3,9	1%
Autres locataires < 4M€	256,6	46%
Total rental income	559,6	100 %



- Geographical distribution: IDF (Ile-de-France), Berlin, Milan and Rome account for 52% of rental income



D. Disposals and disposal agreements: €680 million, Group share

(€million)		Disposals (agreements as of end of 2013 closed)	Agreements as of end of 2013 to close	New disposals H1 2014	New agreements* H1 2014	Total H1 2014	Margin vs 2013 value	Yield	Total
Offices - France	100 %	104,9	183,0	26,0	69,5	95,5	6,4%	7,0%	383,4
Offices - Italy	100 %	19,5	12,3	61,6	5,2	66,8	1,0%	6,4%	98,6
	GS	9,9	6,3	31,3	2,6	34,0			50,2
Residential - Deutschland	100%	12,9	105,8	8,7	5,2	13,9	8,8%	4,6%	132,5
	GS	7,7	63,2	5,2	3,1	8,3			79,1
Hotels / Service sector	100 %	78,6	11,5	56,3	2,4	58,7	0,2%	5,6%	148,9
	GS	22,3	3,2	15,9	0,7	16,6			42,1
Residential - France	100%	16,9	0,0	16,0	28,1	44,2	8,7%	1,7%	61,1
	GS	10,1	0,0	9,6	16,8	26,4			36,5
Logistics**	100 %	0,0	0,0	497,3	2,0	499,3	-0,7%	7,4%	499,3
Total asset disposals	100 %	232,8	312,6	666,0	112,4	778,4	1,1%	6,8%	1323,8
	GS	154,9	255,7	585,4	94,7	680,1	0,9%	7,0%	1 090,6
Equity interests	100 %	0,0	0,0	0,0	0,0	0,0			0,0
Total disposals	100 %	232,8	312,6	666,0	112,4	778,4			1323,8
	GS	154,9	255,7	585,4	94,7	680,1			1 090,6

During H1 2014, Foncière des Régions concluded disposals for a total of €680.1 million, including new disposals (€585.4 million) and disposal agreements (€94.7 million). Overall, new disposals in 2014 achieved a positive margin of 0.9% over appraisal values at end-2013.

88% of new disposals and disposal agreements concluded concerned dynamic niche areas (mainly in Offices France) and businesses in which Foncière des Régions wants to reduce its exposure (such as Logistics).

E. Asset acquisitions: €72 million, Group share

The main acquisitions in the period related to:

- The acquisition in June 2014 of the NH Amsterdam Centre hotel for a total of €15 million in Group Share (€48 million at 100%). Located in the heart of Amsterdam, this four-star hotel is leased to the NH Hotels group under the terms of an indexed, fixed-rent, 20-year, firm, triple net lease Residential investments in Germany totalling €57 million in Group share (€95 million at 100%) are mainly located in Berlin and Dresden (without taking into account the portfolio of € 240 million being acquired)

F. Development projects: €1,7 billion in Group share

■ Committed projects: €625 million, Group share (of which 75% prelet)

Projects	Type	Location	Area	Surface* (sq.m)	Delivery	Target rent (€/sq.m/year)	Pre-leased (%)	Total Budget** (M€)
New Vélizy (QP FdR : 50%)	Offices - France	Vélizy	Paris Regions	45 600	2014	250	100%	96
Egis	Offices - France	Montpellier	MRC	6 100	2014	165	100%	15
Steel	Offices - France	Paris	Paris	3 700	2014	600	0%	36
Euromed Center - Astrolabe (QP FdR : 50%)	Offices - France	Marseille	MRC	14 000	2015	250	0%	19
Euromed Center - Parking + Commerces (QP FdR : 50%)	Offices - France	Marseille	MRC	900	2015	N/A	100%	16
Green Comer	Offices - France	Saint-Denis	Paris Regions	20 400	2015	310	70%	87
ERDF Avignon	Offices - France	Avignon	Paris Regions	4 100	2015	160	100%	9
Nanterre Respiro	Offices - France	Nanterre	Paris Regions	11 150	2015	310	100%	51
Quatuor	Offices - France	Lille- Roubaix	MRC	9 700	2015	160	72%	23
Askia - Cœur d'Orly (QP FdR : 25%)	Offices - France	Orly	Paris Regions	18 500	2015	250	50%	15
Quatuor	Offices - France	Vélizy	Paris Regions	23 000	2015	270	100%	53
Cœur d'Orly A3 (QP FdR 25%)	Offices - France	Marseille	MRC	9 900	2016	N/A	100%	19
Euromed Center - Calypso (QP FdR : 50%)	Offices - France	Marseille	MRC	9 600	2016	250	0%	15
Dassault Systèmes Extension (QP FdR : 50%)	Offices - France	Vélizy	Paris Regions	13 100	2016	300	100%	34
Schlumberger Montpellier Pompignane	Offices - France	Montpellier	MRC	3 150	2016	165	100%	8
Silex I	Offices - France	Lyon	MRC	10 600	2016	280	0%	47
Bose	Offices - France	Saint Germain en Laye	Paris Regions	5 100	2016	225	100%	20
San Nicolao	Offices - Italy	Milan	Italy	11 200	2014	470	100%	57
B&B Porte de Choisy	Service Sector	Paris	Paris	4 000	2015	256	100%	2
B&B Romainville	Service Sector	Romainville	Paris Regions	2 300	2015	190	100%	2
Total				226 100			75%	625

*Surface 100%

**100%budget, including land cost and financial cost

Capex, Group Share, yet to be disbursed for these projects represents €107 million in H2 2014 and €238 million in 2015 and the following years.

■ Managed projects: €1,110 million, Group share

Projects	Type	Location	Area	Surface* (sq. m)	Delivery timeframe
Euromed Center : Bureaux Floreal (QP FdR 50%)	Offices - France	Marseille	MRC	13 500	2016
Euromed Center : Bureaux Hermione (QP FdR 50%)	Offices - France	Marseille	MRC	10 400	2016
Toulouse Marquette	Offices - France	Toulouse	MRC	10 900	2016
Nancy Grand Cœur	Offices - France	Nancy	MRC	6 500	2 016
Levallois Anatole France	Offices - France	Levallois	Paris Regions	5 500	2016
Clinique Saint- Mandé	Offices - France	Saint- Mandé	Paris Regions	5 500	2016
Cœur d'Orly Commerces (QP FdR 25%)	Offices - France	Orly	Paris Regions	31 000	2017
Issy Grenelle	Offices - France	Issy	Paris Regions	10 800	2017
Silex II	Offices - France	Lyon	MRC	30 700	2018
New Vélizy - Extension (QP FdR 50%)	Offices - France	Vélizy	Paris Regions	14 000	2018
Meudon Saulnier	Offices - France	Meudon	Paris Regions	30 000	2018
Meudon Green Valley	Offices - France	Meudon	Paris Regions	46 900	2018
DS Campus Extension 2 (QP FdR 50%)	Offices - France	Vélizy	Paris Regions	11 000	2018
Cœur d'Orly Bureaux (QP FdR 25%)	Offices - France	Orly	Paris Regions	50 000	2017 - 2018
Milan, Symbiosis (Ripamonti)	Offices - Italy	Milano	Italy	119 500	Depending Prelet Status
Bollène	Logistics	Bollène	Regions	90 000	N/A
Total				486 200	

* surface 100%

G. Portfolio

■ Valuation and change in the portfolio: down €0.5 billion (Group share), in H1 2014

(€million)	Value 2013	Value H1 2014	Value H1 2014 GS	LFL change 6 months **	Yield ED 2013	Yield ED H1 2014	% of portfolio
Offices - France*	4 664	4 740	4 120	1,3%	6,8%	6,8%	43%
Offices - Italy*	4 157	4 088	2 080	-0,2%	6,1%	6,0%	22%
Total Office	8 821	8 829	6 200	0,7%	6,6%	6,5%	65%
Hotels & Service sector*	3 232	3 187	824	0,7%	6,3%	6,3%	9%
Residential Germany	2 446	2 558	1 528	1,5%	6,6%	6,7%	16%
Residential France	871	862	515	2,8%	3,5%	3,4%	5%
Logistics	791	289	289	-1,2%	7,4%	6,4%	3%
Parking facilities	241	236	136	na	na	na	1%
Portfolio	16 402	15 961	9 492	0,9%	6,5%	6,3%	100%
Equity affiliates	23	21	21				
Total - Consolidated	16 425	15 982	9 513				
Total - GS	10 010	9 513					

* In operation assets yield (Offices - France) / Core assets (Offices - Italy)

** LFL change 6 months including capex is 0,6%

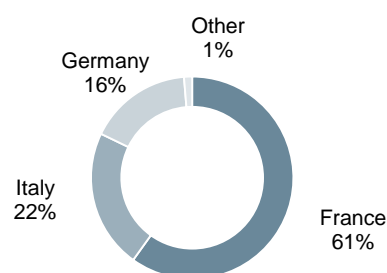
The Group share of Foncière des Régions's total asset portfolio at end-June 2014 stood at €9.5 billion (€16 billion at 100%) compared to €10 billion at end-2013, a like-for-like increase of 0.9% compared to the end of 2013.

The drop in value of the Offices - Italy (-0.2%) and Logistics (-1.2%) segments was offset by the advances in the German Residential (+1.5%), Residential France (+2.8%) and Offices France (+1.3%) segments.

■ Geographic breakdown

(€million) GS*	H1 2014
France	5 605
Italy	2 080
Germany	1 549
Other	122
Total portfolio	9 356

*Excluding parking facilities



In asset value

H. LIST OF MAJOR ASSETS

The Group share value of the ten main assets represents nearly 15% of the Group share of the portfolio.

Top 10 Assets	Location	Tenants	Surface (sq.m)	Share of affiliate
Tour CB 21	Paris - La Défense	Suez Environnement, AIG Europe, Nokia, Groupon	68 077	75%
Carré Suffren	Paris 15 ^{ème}	AON, Institut Français, Ministère Education	24 864	60%
DS Campus	Vélizy Villacoublay	Dassault Systèmes	56 193	50,1%
Complexe Garibaldi	Milan	Maire Tecnimont	44 650	50,9%
Immeuble - 23 rue Médéric	Paris 17 ^{ème}	Orange	11 182	100,0%
Percier	Paris 8 ^{ème}	Chloe	8 544	100,0%
Cap 18	Paris 18 ^{ème}	Genegis, Media Participations	61 097	100,0%
Via Montebello 18	Milan	Intesa Group	25 802	50,9%
Traversiere	Paris 12 ^{ème}	SNCF	13 700	100,0%
New Velizy	Vélizy Villacoublay	Thales	46 000	50,1%

excluded assets under commitments

3. ANALYTICAL DATA FOR THE BUSINESS BY SEGMENT

The France Offices indicators are presented at 100% and as Group Share (GS). Assets held partially are the following:

- the Tour CB 21 75% owned
- Carré Suffren 60% owned
- the Eiffage properties located at Vélizy (head office of Eiffage Construction and Eiffage Campus, the head office of Eiffage Groupe) 50.1% owned (fully consolidated)
- the DS Campus and New Vélizy properties 50.1% owned (equity method)
- Euromed Center 50% owned (equity method)
- Askia, 1st office building in the Cœur d'Orly project, 25% owned.

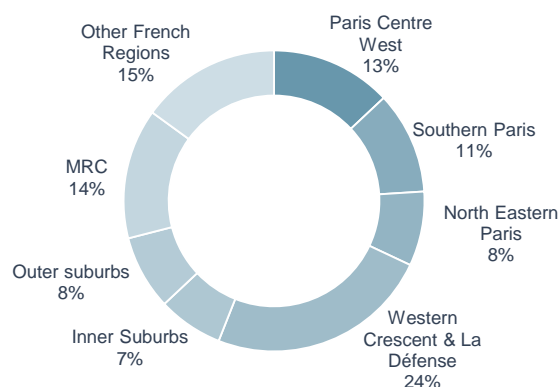
A. FRANCE OFFICES

1. Rents received: €121.5 million, +0.3% on a like-for-like basis

- Geographical distribution: the strategic locations (Paris region and Regional Cities – RC) generate 85% of rents

(€million)	Surface (sq. m)	Number of assets	Rental income H1 2013 100%	Rental income H1 2013 GS	Rental income H1 2014 100%	Rental income H1 2014 GS	Change (%)	Change (%) LFL
Paris Centre West	70 971	11	15	15	15,2	15,3	0,9%	
Southern Paris	113 753	6	18	15	16,2	13,8	- 10,7%	
North Eastern Paris	82 538	12	10	10	10,0	10,0	- 3,3%	
Wester Crescent and La Défense	208 565	22	32	29	32,4	29,3	1,5%	
Inner suburbs*	295 965	19	9	9	9,2	8,5	- 5,8%	
Outer suburbs	140 892	58	11	11	9,2	9,2	- 14,0%	
Total Paris Region	912 684	128	95	90	92,3	86,1	- 3,8%	
MRC	427 575	78	20	20	17,1	17,1	- 14,4%	
Other French regions	508 444	191	21	21	18,3	18,3	- 11,9%	
Total	1 848 704	397	135,4	130,3	127,6	121,5	- 6,7%	0,3%

The average expenses rate amounts to only 2.9% of the rents.



The Group Share rents fell from €130.3 million to €121.5 million GS (-€8.8 million) over 1 year. This change is the combined result of:

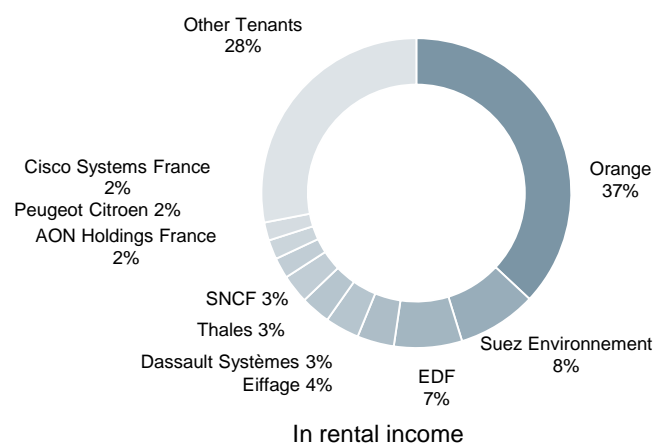
- disposals of buildings which occurred in the second half of 2013 and the first half of 2014 (-€8.2 million), related mainly to the sales of secondary assets in the outer suburbs and in the Regions as well as the sharing of 49.9% of the Eiffage Velizy property in December 2013 with Crédit Agricole Assurances
- acquisitions and deliveries of properties (+€1.5 million) including:
 - acquisition of the head office of SICRA in Chevilly-Larue in March 2013 (+€0.5 million)

- delivery of the Pégase property, a turnkey property leased to Eiffage located in Clichy (92) in April 2013 and of the B&B hotel in Montpellier in May 2014 (+€1 million)
- liberation of properties intended to be refurbished or redeveloped completely (-€2.0 million) (the Silex 1 and 2 buildings in Lyon and the Levallois Anatole France property)
- an increase on a like-for-like basis of +0.3% (€0.4 million) related to:
 - the positive effect of indexation (+€0.6 million)
 - the letting business (-€0.2 million):
 - the letting successes (+€1.2 million), particularly on the Tour CB 21 (7,000m² of space let with effect from the first half of 2014)
 - the effect of the liberations is -€1.1 million (mainly the properties leased to Eiffage)
 - renewals/re-negotiations (-€0.4 million) at rates in line with the market in return for extensions of the fixed duration

2. Annualised rents: €255 million

■ Breakdown by major tenants

(€million)	Surface (sq.m)	Nb of assets	Annualised rental income H1 2013	Annualised rental income H1 2014	Change (%)
GS*					
Orange	644 667	206	108,4	94,4	-13,0%
Suez Environnement	58 689	2	21,1	21,1	-0,1%
EDF	195 083	23	19,0	18,1	-4,6%
Dassault Systèmes	56 193	1	9,8	9,8	0,3%
Thales	124 521	4	9,1	9,1	0,1%
Eiffage	192 544	90	9,2	7,9	-13,7%
SNCF	13 699	1	7,7	7,7	-0,4%
AON	15 592	1	5,5	5,5	0,5%
Peugeot Citroën	19 531	1	5,1	5,2	1,4%
Cisco System	11 291	1	4,8	4,8	0,8%
Other tenants < €4M	516 894	67	69,6	71,6	2,9%
Total	1 848 704	397	269,3	255,2	-5,2%



Currently, the ten leading tenants represent 72% of the annualised rents, a percentage slightly lower than that at the end of 2013 (75%). This decrease is explained mainly by the disposal of properties leased to Orange.

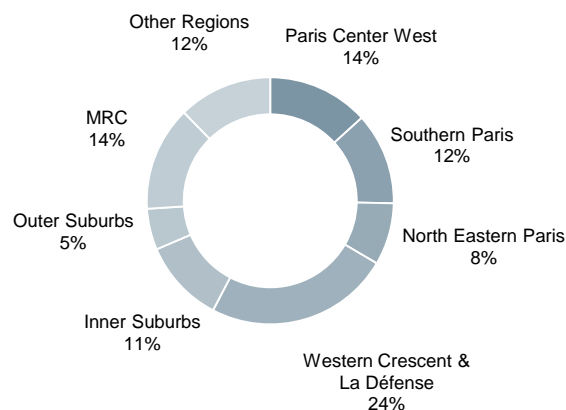
The variation of -5.2% in the rents over six months is mainly explained by the impact of disposals of properties leased to Orange, EDF and Eiffage and in line with the protocol signed with Eiffage at the time of the acquisition of the sites in 2008.

- 32 properties sold over the period
- 16 Orange properties liberated which are the subject of refurbishment projects (Levallois Anatole France) or of rapid disposals to local promoters with a view to the transformation of the sites
- 8 Eiffage properties liberated which will also be the subject of disposal

■ Geographical breakdown: the Paris area represents 74% of the rents

(€million)	Surface (sq.m)	Number of assets	Annualised rental income H1 2013	Annualised rental income H1 2014	Change (%)	% of rental income
GS*						
Paris Centre West	70 971	11	34,00	33,9	-0,4%	13%
Southern Paris	113 753	6	30,60	30,8	0,5%	12%
North Eastern Paris	82 538	12	20,70	20,7	0,2%	8%
Wester Crescent and La Défense	208 565	22	64,00	61,8	-3,4%	24%
Inner suburbs*	295 965	19	27,50	27,9	1,3%	11%
Outersuburbs	140 892	58	19,40	13,8	-29,1%	5%
Total Paris Region	912 684	128	196,20	188,8	-3,8%	74%
MRC	427 575	78	36,10	35,0	-3,1%	14%
Other French regions	508 444	191	37,10	31,4	-15,3%	12%
Total	1 848 704	397	269,40	255,2	-5,2%	100,0%

* including DS Campus in GS 50%



The Paris area share (74% of the annualised rents) of the annualised rents remains preponderant. It was slightly up over the half-year (74% vs. 73% in 2013). The main changes in rents by zone reflect the letting activity since 1 January 2014:

- the disengagement in the non-strategic zones in the Regions (-15%) and in the outersuburbs (-29%) via the disposal of secondary properties
- the negative indexation effect.

3. Indexation

The effect of the indexation was + €0.6 million over six months. 26% of the rents are indexed to the ICC, 73% are indexed to the ILAT, whilst the balance is indexed to the ILC or IRL.

The rents benefiting from an indexation floor (1%) represent 40% of the annualised rents and are indexed on the ILAT

4. Rental activity

(€million)	Surface (sq.m)	Annualised rental income	Annualised rental income (€/sq.m)
Vacating	75 108	8,1	108
Letting	13 100	4,6	353
Renewal*	52 122	17,4	335

**included renewed tacitly*

The first half of 2013 was marked by the liberation of:

- eight properties rented by the Eiffage group (9249m²; €0.5 million of rent) in January 2014 in accordance with our initial agreements
- 16 properties rented to Orange (45,545m²; €6 million of rent) in May 2014, located mainly in the Regions and which are planned to be sold to promoters; the Levallois Anatole France property (€1.6 million of rent) will be the subject of a development project.

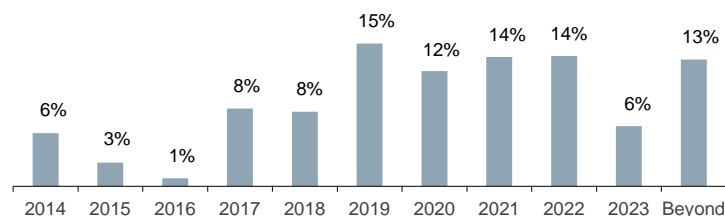
Concerning the marketing successes, the significant letting news regarding the CB 21 Tower. Three new leases with Covidien, FHB and Groupon had an effect in H1 2014 and two other leases were finalised after the close with Wano and Verizon, to take effect in H2 2014. Currently, The Tower has an occupation rate of 97% and one floor remains to be let (1,300m²).

5. Maturity date table and occupancy rate

- Maturity dates for the leases: 6.5 years of residual term for the leases (5.3 years firm)

(€million)*	By lease end date (1 st break)	% of total	By lease end date	% of total
2014	23,6	9%	14,4	6%
2015	22,2	9%	6,4	3%
2016	26,4	10%	2,2	1%
2017	21,8	9%	21,1	8%
2018	27,9	11%	20,2	8%
2019	26,1	10%	38,7	15%
2020	24,0	9%	31,2	12%
2021	17,0	7%	35,1	14%
2022	19,7	8%	35,3	14%
2023	14,9	6%	16,3	6%
Beyond	31,6	12%	34,3	13%
Total	255,2	100%	255,2	100%

**including DS Campus in GS 50%*



The mechanical loss of six months of residual term is in part offset by the new lettings for the half-year (particularly on CB 21). The firm residual term is slightly lower at 5.3 years, vs 5.7 years at the end of 2013. By lease termination date, the residual term of the leases amounts to 6.5 years (vs 6.8 in 2013).

■ Occupancy rate and type: an occupancy rate of 96.1%

(%)	2013*	H1 2014
Paris Centre West	100,0%	100,0%
Southern Paris	99,2%	99,3%
North Eastern Paris	96,1%	96,8%
Wester Crescent and La Défense	92,5%	95,7%
Inner suburbs	98,5%	98,5%
Outer suburbs	95,4%	91,7%
Total Paris Region	96,3%	97,1%
MRC	95,4%	95,8%
Other French regions	93,8%	90,1%
Total	95,8%	96,1%

* including Vélizy et Meudon

The occupancy rate is up in comparison with the end of 2013 (96.1% vs. 95.8%). That is explained by the successful letting of CB 21. Hence, the vacancy rate in the Paris region fell by more than one point over the half-year.

The increase in the vacancy rate in the Regions is explained by the liberation of the Eiffage and Orange sites which are the subject of an ongoing sales process.

The other vacant office space mainly concerns three properties located in Paris (marketing ongoing), in Nîmes and in Lille, these latter two are the subject of an ongoing sales process.

6. Unpaid rent

(€million)	H1 2013	H1 2014
As % of rental income	0,80%	0,0%
In value *	2,1	0,0

* net provision/ reversals of provision

7. Disposals and agreements for disposals: €95.5 million

(€million)	Disposals (agreements as of end of 2013 closed)	Agreements as of end of 2013 closed	New disposals H1 2014	New agreements H1 2014	Total H1 2014	Margin vs 2013 value	Yield	Total
Paris Centre West	-	11,5	-	-	-	-	-	11,5
Southern Paris	-	6,5	-	38,0	38,0	11,5%	5,2%	44,5
North Eastern Paris	-	31,7	-	-	-	-	-	31,7
Wester Crescent and La Défense	32,2	7,6	-	-	-	-	-	39,8
Inner suburbs*	3,2	30,9	-	-	-	-	-	34,1
Outer suburbs	30,4	24,7	12,5	9,8	22,3	4,4%	8,3%	77,4
Total Paris Region	65,9	112,8	12,5	47,8	60,3	8,7%	6,4%	239,0
MRC	19,1	46,5	2,1	10,1	12,1	8,4%	5,4%	77,7
Other French regions	19,9	23,7	11,5	11,6	23,1	-0,1%	9,5%	66,7
Total	104,9	183,0	26,0	69,5	95,5	6,4%	7,0%	383,4

*Inner suburbs includes Vélizy and Meudon

The amount of Foncière des Régions' arbitrages over the first half of 2014 is in line with Foncière des Régions' strategy of progressive sales of its secondary properties (76% of disposals and agreements for disposals at 30 June 2014).

8. Acquisitions:

No acquisitions were carried out during the half-year

9. Development projects: a pipeline of more than €1.4 billion

The development policy of Foncière des Régions aims mainly at continuing the asset enhancement work undertaken (improvement of asset quality and creation of value), supporting Key Accounts partners over the long term in the deployment of their real estate strategy, and managing new operations in strategic locations.

The strategy is based, in the Paris area, on locations which are well served by public transport and/or in established tertiary districts and in the large Regional Cities where the annual take-up is greater than 50,000m² per year, on prime locations (examples: TGV stations in Bordeaux, Nantes, Nancy or Metz, Part-Dieu district of Lyon).

■ Delivery of properties

During the first half of the year, a B&B hotel (lease of 12 years firm) with 91 bedrooms, for 2,133m², was delivered in the Pompignane park in Montpellier. The hotel opening occurred on 5 May 2014.

■ Committed projects

Projects	Location	Area	Surface** (sq.m)	Delivery	Target offices rent (@sq.m/year)	Pre-let (%)	Total Budget* (€m)
New Vélizy (QP FdR : 50%)	Vélizy	Paris regions	45 600	2014	250	100%	96
Egis	Montpellier	MRC	6 100	2014	155	100%	15
Steel	Paris	Paris Regions	3 700	2014	600	0%	36
Euromed Center - Astrolabe (QP FdR : 50%)	Marseille	MRC	14 000	2015	250	0%	19
Euromed Center - Parking + Commerces (QP FdR : 50%)	Marseille	MRC	900	2015	N/A	100%	16
Green Corner	Saint-Denis	Paris Regions	20 400	2015	310	70%	87
ERDF Avignon	Avignon	MRC	4 100	2015	160	100%	9
Nanterre Respiro	Nanterre	Paris Regions	11 150	2015	310	100%	51
Quatuor	Lille-Roubaix	MRC	9 700	2015	160	72%	23
Askia - Cœur d'Orly (QP FdR : 25%)	Orly	Paris Regions	18 500	2015	250	50%	15
Campus Eiffage (QP FdR : 50%)	Vélizy	Paris Regions	23 000	2015	270	100%	53
Euromed Center - Hôtel (QP FdR : 50%)	Marseille	MRC	9 900	2016	N/A	100%	19
Euromed Center - Calypso (QP FdR : 50%)	Marseille	MRC	9 600	2016	250	0%	15
Dassault Systèmes Extension (QP FdR : 50%)	Vélizy	Paris Regions	13 100	2016	300	100%	34
Schlumberger Montpellier Pompignane	Montpellier	MRC	3 150	2016	155	100%	8
Silex 1	Lyon	MRC	10 600	2016	280	0%	47
Bose	Saint Germain en Laye	Paris Regions	5 100	2016	225	100%	20
Total			208 600			72%	564

*Surface 100%

**In Group share, including land cost and financial cost

The first half was marked by the start of works on several projects:

- Calypso, office building of 9,600m² within the Euromed Center project in Marseille
- Silex 1, office building of 10,600m² in the heart of the Part-Dieu district in Lyon, which should be delivered in the first quarter of 2016
- turnkey for ERDF in Avignon over a floor area of 4,100m².

Lease agreements have also been signed during this first half-year:

- with Schlumberger in a turnkey building of 3,150m² in the Pompignane park in Montpellier. The building permit application was filed in February
- with Bose in a turnkey building of 5,100m² in Saint-Germain-en-Laye of which the works are due to start very soon
- with Dassault Systèmes for the completion of an extension of the existing campus in Vélizy over 13,100m². The building permit application was filed at the end of June.

■ Managed projects

Approximately 276,700m² are controlled by Foncière des Régions :

Projects	Location	Area	Surface* (sq.m)	Delivery timeframe
Euromed Center : Bureaux Floreal (QP FdR 50%)	Marseille	MRC	13 500	2016
Euromed Center : Bureaux Hermione (QP FdR 50%)	Marseille	MRC	10 400	2016
Toulouse Marquette	Toulouse	MRC	10 900	2016
Nancy Grand Cœur	Nancy	MRC	6 500	2016
Levallois Anatole France	Levallois	Paris Regions	5 500	2016
Clinique Saint- Mandé	Saint- Mandé	Paris Regions	5 500	2016
Cœur d'Orly Commerces (QP FdR 25%)	Orly	Paris Regions	31000	2017
Issy Grenelle	Issy	Paris Regions	10 800	2017
Silex II	Lyon	MRC	30 700	2018
New Vélizy - Extension (QP FdR 50%)	Vélizy	Paris Regions	14 000	2018
Meudon Saulnier	Meudon	Paris Regions	30 000	2018
Meudon Green Valley	Meudon	Paris Regions	46 900	2018
DS Campus Extension 2 (QP FdR 50%)	Vélizy	Paris Regions	11000	2018
Cœur d'Orly Bureaux (QP FdR 25%)	Orly	Paris Regions	50 000	2017- 2018
Total			276 700	

*surface 100%

The building permits have been completed on the Levallois (5,500m²), Nancy Grand Cœur (6,500m²) Meudon Green Valley (46,900m²) and Meudon Saulnier (30,000m²) projects. These projects are currently in the pre-marketing phase and are likely to be committed depending on leasing agreements to be completed.

The building permit has been obtained for the extension of the New Vélizy campus, of which the first phase of 45,600m² will be delivered in October 2014. Discussions with Thales on this extension (14,000m²) are in progress.

On the Silex 2 projects (renovation project - extension of the tower vacated by EDF in the Part-Dieu district in Lyon), Toulouse Marquette (building of 10,900m² in the centre of Toulouse), the building permit should be filed by the end of the year.

10. Asset values

■ Changes in asset value

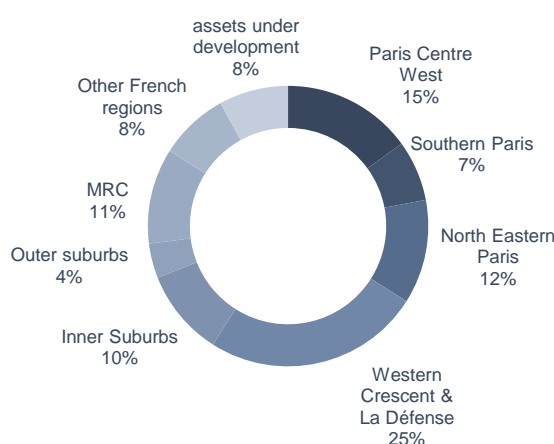
(€million) Asset	Value ED 2012	Value adjustment	Acquisitions	Disposals	Invest.	Transfer	Value ED 2013
Assets in operation	3 901,3	25,0	0,0	- 130,6	9,0	- 18,8	3 785,9
Assets under developement	215,7	11,3	0,0	0,0	86,0	20,7	333,7
Total	4 116,9	36,4	0,0	- 130,6	95,0	1,9	4 119,6

* including DS Campus in GS 50%

■ Change on a like-for-like basis: +1.3%

(€million)	100% value ED 2013	100% value ED S1 2014	Value ED 2014 GS*	LFL change 6 months	Yield ED 2013	Yield ED S1 2014	% of total value
Paris Centre West	575,5	592,1	592,1	2,9%	5,9%	5,7%	14%
Southern Paris	594,5	299,2	299,2	1,8%	6,3%	7,1%	7%
North Eastern Paris	293,0	614,4	494,3	2,4%	6,4%	6,2%	12%
Wester Crescent and La Défense	1188,3	1139,4	994,1	-0,2%	6,2%	6,2%	24%
Inner suburbs**	621,2	605,1	417,2	-0,8%	6,5%	6,7%	10%
Outer suburbs	218,2	176,5	176,5	1,4%	8,6%	8,2%	4%
Total Paris Region	3 490,6	3 426,7	2 973,4	1,0%	6,1%	6,4%	72%
MRC	495,3	463,1	463,1	1,7%	7,3%	7,5%	11%
Other French regions	384,3	349,4	349,4	-1,0%	9,2%	8,9%	8%
Total in operation	4 370,2	4 239,2	3 785,9	0,9%	6,8%	6,8%	92%
Assets under development	294,3	501,2	333,7	5,2%	0,3%	0,2%	8%
Total	4 664,5	4 740,4	4 119,6	1,3%	6,5%	6,2%	100%

*Including DS Campus, New Velizy and Euromed in GS
**included Velizy and Meudon



The first half of 2014 was marked by a growth in values of + 1.3% on a like-for-like basis:

- The Paris region and the Regional Cities grew strongly over the half-year, which is explained by investors' strong appetite for well-located buildings and secured cash flows over the long-term.
The slight fall in the value of properties in the regions is explained by the dual effect of the loss of six months of flows, combined with the increase in registration fees in almost all "départements".

■ Strategic asset segmentation

- "Core" portfolio: the Core portfolio is the strategic asset core, consisting of resilient properties providing long-term income. Mature buildings may be disposed of on an opportunistic basis in managed proportions, freeing up resources that can be reinvested in value creating transactions, particularly by the development of our portfolio or new investments.
- "Secondary" portfolio: the "Secondary" portfolio originates principally from outsourcing operations with our major partners-lessees. This portfolio constitutes a compartment with a higher yield than the average for the office portfolio, with a historically-high rate of renewals. The small unit size of these properties and their liquidity on the local markets makes them apt candidates for progressive disposal.
- Portfolio "In the process of valuation": the portfolio "in the process of valuation" comprises properties targeted for specific restructuring or rental development actions. These assets are intended to become "Core" once the asset management work has been completed.

	Core Portfolio	Value enhancement Portfolio	Secondary asset	Total
Number of assets	70	52	275	397
Value ED GS (€million)	2 626	817	676	4 120
Yield	6,3%	4,5%	8,0%	6,2%
Residual firm duration of leases (years)	6,3	1,6	4,6	5,3
Occupancy rate	98,2%	94,9%	90,5%	96,1%

The proportion of the "Core" portfolio was slightly up over the half-year (64% of the France Offices portfolio) whilst the "Secondary" compartment fell significantly over the half-year (16% vs. 19% in 2013) due to the disposals, a result of the implementation of a targeted disposals strategy.

Taking account of the disposal agreements, the volume of the "Secondary" portfolio is only €557 million, or less than 6% of the Group Share of Foncière des Régions (of which the value is €9.5 billion).

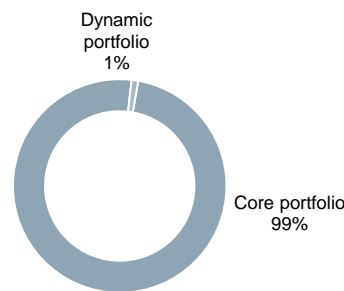
B. ITALY OFFICES

Listed on the Milan Stock Exchange since 1999, Beni Stabili is the leading listed Italian property company (SIIQ – Italian version of the SIIC regime). Its assets consist largely of offices located in cities in northern and central Italy, particularly Milan and Rome. The company has a portfolio of €4.1 billion at the end of June 2014. The figures below are wholly 100%.

Foncière des Régions holds 50.9% of the capital of Beni Stabili.

1. Rents received: +0.8% on a like-for-like basis

(€million)	Surface (sq.m)	Number of assets	Rental income H1 2013	Rental income H1 2014	Change (%)	Change (%) LFL	% of total
Core portfolio	1722 849	216	114,8	114,7	-0,1%	-0,8%	99,0%
Dynamic portfolio	131934	39	1,5	1,2	-22,6%	-7,5%	1,0%
Subtotal	1 854 784	255	116,3	115,9	-0,4%	-0,8%	100,0%
Development portfolio	11705	3	0,0	0,0	0,0%	0,0%	0,0%
Total	1 866 489	258	116,3	115,9	-0,4%	-0,8%	100,0%



In rental income

The change in rental income between 30 June 2013 and 30 June 2014 amounted to -€0.4 million, or -0.4%. This change is due primarily to:

- Asset Management and indexation: +€0.2 million
- disposals: -€2.4 million
- deliveries of assets under development, principally Via dell'Arte in Rome and San Fedele in Milan: +€1.8 million.

The change on a like-for-like basis is -0.8% over the period.

2. Annualised rents: €222 million

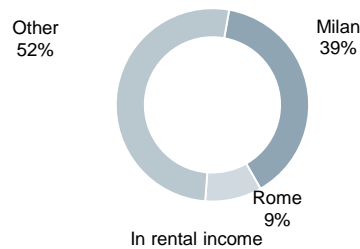
■ Breakdown by portfolio

(€million)	Surface (sq.m)	Number of assets	Annualised rental income H1 2013	Annualised rental income H1 2014	Change (%)	% of total
Core portfolio	1722 849	216	231,0	219,4	-5,0%	99,0%
Dynamic portfolio	131934	39	2,7	2,2	-19,0%	1,0%
Subtotal	1 854 784	255	233,7	221,7	-5,2%	100,0%
Development portfolio	11705	3	0,0	0,0	na	0,0%
Total	1 866 489	258	233,7	221,7	-5,2%	100,0%

■ Geographic breakdown

(€million)	Surface (sq.m)	Number of assets	Annualised rental income H1 2013	Annualised rental income H1 2014	Change (%)	% of total
Milan	451 780	41	91,5	86,3	-5,7%	38,9%
Rome	158 874	33	19,6	21,0	7,4%	9,5%
Other	1 244 130	181	122,7	114,3	-6,8%	51,6%
Total	1 854 784	255	233,7	221,7	-5,2%	100,0%

Annualised rental income at year-end excluding development

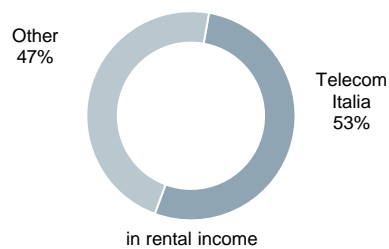


The increase in revenues in Rome is explained by the delivery of the Via dell' Arte property in Q2 2014.

■ Breakdown by tenant

(€million)	Surface (sq.m)	Number of assets	Annualised rental income H1 2013	Annualised rental income H1 2014	Change (%)	% of total
Telecom Italia	1 165 883	162	118,8	117,1	-1,4%	52,8%
Other	688 901	93	115,0	104,5	-9,1%	47,2%
Total	1 854 784	255	233,7	221,7	-5,2%	100,0%

Annualised rental income at year-end excluding development



3. Indexation

The annual indexation in rental income is usually calculated by taking 75% of the increase in the Consumer Price Index (CPI) applied on each anniversary of the signing date of the agreement. For the first half of 2014, the average increase in the IPC index amounted to 0.5%.

4. Rental activity

During the first half of 2014, the letting activity can be summarised as follows:

(€million)	Surface (sq.m)	Annualised rental income	Annualised rental income (€/sq.m)
Vacating	53 862	5,7	105
Letting	18 819	9,0	476
Renewal	22 366	4,0	181

The new leases mainly concern the San Nicolao/Piazza Cardorna property (€5.4 million of rent) let under the terms of a 13 year lease, including seven years firm, to Luxottica. The other lettings concern Piazza San Fedele in Milan (€1.6 million) and Via dell' Arte in Rome (€0.5 million).

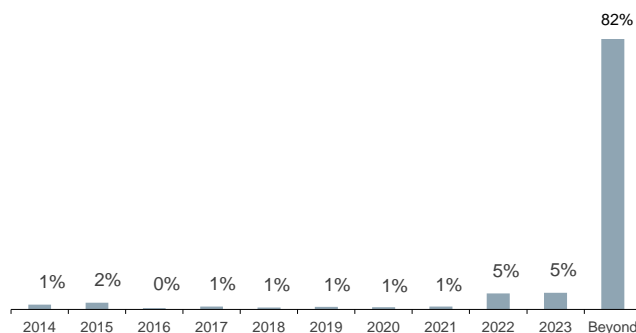
The renewals mainly concern two properties located in Milan, for a floor area of almost 9,000m².

The liberations include the operation of the Corso Ferrucci property (Turin, 51,000m²), subject of active marketing.

5. Maturity date table and occupancy rate

- Maturity dates for the leases: 12.4 years of residual term for the leases (6.7 years firm)

(€million)	By lease end date (1 st break)	% of total	By lease end date	% of total
2014	4,2	2%	3,3	1%
2015	5,6	3%	4,6	2%
2016	3,0	1%	0,8	0%
2017	13,6	6%	1,9	1%
2018	8,3	4%	1,2	1%
2019	32,5	15%	1,9	1%
2020	3,3	1%	1,5	1%
2021	118,9	54%	2,0	1%
2022	26,0	12%	10,6	5%
2023	5,0	2%	11,0	5%
Beyond	1,2	1%	182,8	82%
Total	221,7	100%	221,7	100%



Leases expiring after 2023 are basically linked to Telecom Italia.

■ Occupancy rate and type: an occupancy rate of 95.7%

The spot financial occupancy rate at the end of June 2014 amounts to 95.7% for the Core portfolio, down in comparison with the end of 2013 following the liberation of a property located in Turin.

6. Unpaid rent

(€million)	H1 2013	H1 2014
As % of rental income	2,6%	1,4%
In value *	2,6	1,6

* net provision / reversals of provision

The unpaid rents represent the net of the charges, releases and transfers to losses and amount to 1.4% of the rents at the end of June 2014 and are slightly down in comparison with 2013.

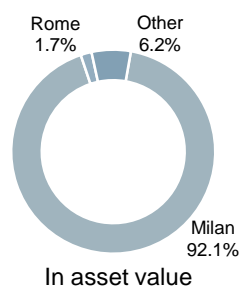
7. Disposals and agreements for disposals: €67 million

The value of the disposals and agreement for disposals in H1 2014 amounts to €67 million.

These new 2014 commitments were completed at above the 2013 expert assessment values (+1.0%) and on the basis of a yield of 6.4%.

Beni Stabili continues to demonstrate its ability to sell on good terms.

(€million)	Disposals (agreements as of end of 2013 closed)	Agreements as of end of 2013 closed	New disposals H1 2014	New agreements H1 2014	Total H1 2014	Margin vs 2013 value	Yield	Total
Milan	0,0	9,1	61,5	0,0	61,5	1,8%	6,5%	70,6
Rome	0,0	0,0	0,1	1,1	1,2	-12,8%	0,0%	1,2
Other	19,5	3,3	0,0	4,1	4,1	-5,7%	7,6%	26,9
Total	19,5	12,4	61,6	5,2	66,8	1,0%	6,4%	98,6



8. Acquisitions:

No acquisition was made during the half.

9. Development projects

■ Projects delivered

Delivery of the Via dell'Arte property in Rome in May 2014. This property has a floor area of 6,700 square metres and is prelet for 84%.

■ Committed projects

Projects	Location	Area	Surface (sq.m)	Delivery	Target offices rent (€/sq.m/year)	Pre-let (%)	Total Budget (€m)
San Nicolao	Milano	Italy	11200	2014	470	100%	111
Total			11 200			100%	111

■ Managed projects

Projects	Location	Area	Surface (sq.m)	Delivery timeframe
Milan, Symbiosis (Ripamonti)	Milano	Italy	119 500	Depending Prelet Status
Total			119 500	

10. Asset values

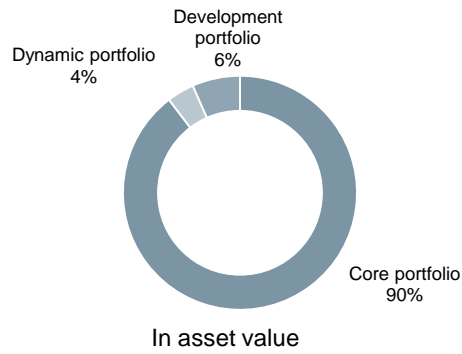
■ Changes in asset value

(€million)	Value ED 2013	Change in value	Acquisitions	Disposals	Invest.	Reclass.	Value ED H1 2014
Core portfolio	3 713,4	-3,9	0,0	-79,7	2,2	32,2	3 664,2
Dynamic portfolio	155,3	-1,8	0,0	-0,1	0,5	0,0	153,9
Subtotal	3 868,8	-5,7	0,0	-79,8	2,7	32,2	3 818,1
Development portfolio	288,2	-6,0	0,0	0,0	20,0	-32,2	270,0
Total	4 157,0	-11,7	0,0	-79,8	22,7	0,0	4 088,1

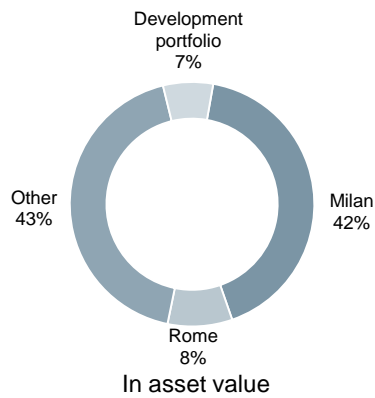
■ Change on a like-for-like basis: -0.2%

(€ million)	Value ED 2013 100%	Value ED H1 2014 100%	LFL change 6 months	Yield ED 2013	Yield ED H1 2014	% of total value
Core portfolio	3 713,4	3 664,2	0,0%	6,1%	6,0%	89,6%
Dynamic portfolio	155,3	153,9	-0,9%	1,4%	1,4%	3,8%
Subtotal	3 868,8	3 818,1	-0,1%	5,9%	5,8%	93,4%
Development portfolio	288,2	270,0	na	na	na	6,6%
Total	4 157,0	4 088,1	-0,2%	5,5%	5,4%	100,0%

The value of Beni Stabili's portfolio fell by 0.2% on a like-for-like basis during the first half of 2014. The Telecom Italia portfolio (42% of the assets) was down by 0.4% over the period.



(€million)	Value ED 2013 100%	Value ED H1 2014 100%	LFL change 6 months	Yield ED 2013	Yield ED H1 2014	% of total value
Milan	1759,6	1712,6	0,8%	5,0%	5,0%	41,9%
Rome	316,9	349,8	0,2%	5,9%	6,0%	8,6%
Other	1792,2	1755,7	-1,0%	6,7%	6,5%	42,9%
Subtotal	3 868,8	3 818,1	-0,1%	5,9%	5,8%	93,4%
Development portfolio	288,2	270,0	na	na	na	6,6%
Total	4 157,0	4 088,1	-0,2%	5,5%	5,4%	100,0%



The portfolio is primarily located in Milan and Rome (50%).

C. HOTELS/SERVICE SECTOR

Foncière des Murs (FDM), which is 28.3% owned by Foncière des Régions, is a listed real estate investment company (SIIC) specialising in the service sector, especially in hotels, healthcare, and retail. The Company's investment policy favours partnerships with the leading operators in their business sector, in order to offer secure returns to its shareholders.

1. Rents received: -1.1% on a like-for-like basis

Recognised rental income is presented at 100% and in FDM share. Partly-held assets correspond to 161 B&B hotels (2%).

■ Breakdown by business sector

(€million)	Number of assets	Rental income H1 2013	Rental income H1 2013 in GS FDM	Rental income H1 2014 100%	Rental income H1 2014 in GS FDM	Change (%) 100%	Change (%) in GS	Change (%) LFL
Hotels	317	70,7	62,4	69,0	60,6	-2,5%	-3,0%	-1,1%
Healthcare	29	11,3	11,3	8,7	8,7	-22,6%	-22,6%	1,4%
Retail Premises	185	19,5	19,5	18,3	18,3	-6,1%	-6,1%	-2,3%
Total	531	101,6	93,3	96,0	87,6	-5,4%	-6,0%	-1,1%

Consolidated rental income stood at €96 million in 100% as at 30 June 2014, up 5.4% compared to 30 June 2013. This was due mainly to:

- Disposals in 2013 and 2014 (-€4.6 million)
- The drop in variable rental income due to changes in Accor revenues (-2.2% at the end of June compared to 2013)
- The drop in rents to Jardiland in 2014, after the renegotiations at the end of 2013 and against some extension of leases.

The average load rate is 1.5% of rentals.

■ Geographic breakdown

(€million)	Number of assets	Rental income H1 2013 in GS	Rental income H1 2014 in GS	Change (%) GS FDM	% of rental income
Paris excl. CBD	9	10,7	9,8	-8,5%	11%
Innersuburbs	28	9,4	8,9	-5,8%	10%
Outersuburbs	56	7,8	7,6	-2,5%	9%
Total Paris Region	93	28,0	26,3	-6,2%	30%
MRC	109	17,4	16,5	-5,3%	19%
Other French regions	295	33,4	30,2	-9,5%	34%
International	34	14,4	14,7	2,0%	17%
Total	531	93,3	87,6	-6,0%	100%

2. Annualised rents: €176 million

■ Distribution business sector

Annual rental Income is expressed in FDM share

(€million)	Surface (sq.m)	Number of assets	Annualised rental income H1 2013	Annualised rental income H1 2014	Change (%)	% of rental income
Hotels	1 109 308	317	124,7	123,3	- 1,1%	70%
Healthcare	115 559	38	21,9	15,6	- 28,7%	9%
Retail Premises	197 573	186	38,3	36,7	- 4,3%	21%
Total	1 422 440	531	184,9	175,6	- 5,0%	100%

■ Breakdown by tenant

(€million)	Surface (sq.m)	Number of assets	Annualised rental income H1 2013	Annualised rental income H1 2014	Change (%)	% of rental income
Accor	594 363	129	86,9	80,7	- 7,2%	46%
B&B	325 102	182	21,9	22,1	1,0%	13%
Korian	115 559	29	18,2	15,6	- 14,2%	9%
Quick	37 487	81	17,1	16,5	- 3,2%	9%
Jardiland	151 681	49	15,0	13,5	- 9,6%	8%
Sunparks	133 558	4	13,6	13,8	1,6%	8%
Courtepaille	8 405	55	6,6	6,6	0,2%	4%
Club Med	45 813	1	3,4	3,4	0,4%	2%
Générale de Santé	10 472	0	2,7	0,0	0,0%	0%
Total	1 422 440	531	184,9	175,6	- 5,0%	100%

■ Geographic breakdown

(€million)	Surface (sq.m)	Number of assets	Annualised rental income H1 2013	Annualised rental income H1 2014	Change (%)	% of rental income
Paris CBD	0	0	0,0	0,0	0,0%	0%
Paris excl. CBD	73 240	9	21,4	18,2	- 15,1%	10%
Inner suburbs	105 392	28	18,9	17,5	- 7,3%	10%
Outer suburbs	117 644	56	15,3	15,1	- 1,2%	9%
Total Paris Region	296 276	93	55,6	50,8	- 8,6%	29%
MRC	271 407	109	34,9	32,3	- 7,6%	18%
Other French regions	560 687	295	65,5	59,7	- 8,9%	34%
International	294 070	34	29,0	32,9	13,3%	19%
Total	1 422 440	531	184,9	175,6	- 5,0%	100%

3. Indexation

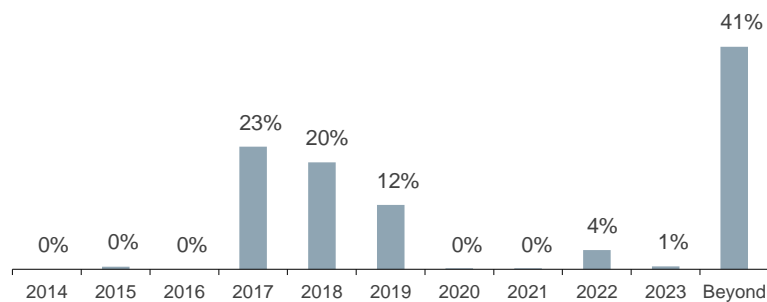
54% of the rental income is indexed to benchmark indices.

- Part of the Korian portfolio was indexed based on the IRL, which generated a positive impact of €24k
- The Club Med assets, based on the Eurostat CPI, were indexed in May 2014, generating a negative impact of €5k.

46% of the rental income was indexed on the Accor revenue, which was down 2.2% in the first half of 2014.

4. Maturity date table and occupancy rate

(€ million)	By lease end date (1 st break)	% of total	By lease end date	% of total
2014	0,0	0%	0,0	0%
2015	0,8	0%	0,8	0%
2016	0,0	0%	0,0	0%
2017	39,7	23%	39,7	23%
2018	34,6	20%	34,6	20%
2019	20,9	12%	20,9	12%
2020	0,3	0%	0,3	0%
2021	0,3	0%	0,3	0%
2022	6,2	4%	6,2	4%
2023	1,0	1%	1,0	1%
Beyond	71,9	41%	71,9	41%
Total	175,6	100%	175,6	100%



The residual firm duration of leases is 7.3 years at 30 June 2014. The portfolio's vacancy rate as at 30 June 2014 remained nil.

5. Unpaid rent

The portfolio had no unpaid rent during the 2014 half, just as in 2013.

6. Disposals and agreements for disposals: €59 million

During the first half of 2014, 17 assets were sold for a value of €135 million. These disposals, as a portfolio or as single sales, were the Accor hotels, the Quick and Courtepaille assets, as well as the Korian retirement homes and the Générale de Santé clinics. Also, disposals agreements for four assets represented a total value of €13.9 million. These disposals include €56 million of new commitments.

(€million)	Disposals (agreements as of end of 2013 closed)	Agreements as of end of 2013 to close	New disposals H1 2014	New agreements H1 2014	Total H1 2014	Margin vs 2013 value	Yield	Total
Hotels	43,4	4,6	0,0	0,0	0,0	0,0%	0,0%	47,9
Healthcare	33,6	3,8	56,3	2,4	58,7	0,2%	5,6%	96,2
Retail Premises	1,7	3,1	0,0	0,0	0,0	0,0%	0,0%	4,8
Total	78,6	11,5	56,3	2,4	58,7	0,2%	5,6%	148,9

7. Acquisitions

In early June 2010, Foncière des Murs via the OPCI B2 Hotel Invest, 50.2% owned by FDM, acquired three B&B hotels in Valenciennes, Salon de Provence and EuraLille, for €11.3 million, i.e. €5.7 million in Share of FDM affiliates, strengthening the partnership started in 2010 between the two groups.

The company also acquired in June 2014, the NH Amsterdam Centre hotel for a total of €48 million. Located in the heart of Amsterdam, this four-star hotel is leased to the NH Hoteles group under the terms of an indexed, fixed-rent, 20-year, firm, triple net lease.

8. Development projects: a €22 million pipeline

- Committed projects: €22 million, 100% pre-let

Projects	Location	Area	Surface (sq.m)	Delivery	Target rent (€/sq.m/year)	Pre-let (%)	Total Budget (€m)
B&B Porte de Choisy	Paris	Paris	4 000	2015	256	100,0%	16
B&B Romainville	Romainville	IDF	2 300	2015	190	100,0%	6
Total			6 300			100,0%	22

Foncière des Murs owns a building under construction whose scheduled delivery date is 30 October 2015. It will be a 6 floor hotel, with 182 rooms, located at Porte de Choisy in Ivry/Seine. It will be let to B&B Hôtels.

Foncière des Murs also continued to support its partner, the B&B Hôtels group, by signing, in May 2014, a lease in advance of completion for the development of a B&B hôtel with 107 rooms in the Paris region, in Romainville, for around €6 million. Delivery is scheduled for the end of September 2015.

The Porte des Lilas Hotel B&B (valued at €26m in the first half of 2014) was delivered at the end of June 2014.

Moreover it has signed a partnership agreement on the financing of 9 new hotels in Germany for an amount of € 50 million in the next 3 years

9. Asset values

- Asset changes

(€million)	Value ED 2013 GS	Value adjustment	Acquisitions	Disposals	Invest.	Transfert	Value ED H1 2014 GS FDM
Assets in operation	2940,6	13,5	54,1	- 135,0	6,0	26,0	2 905,1
Assets under developement	25,7	1,4			7,1	-26,0	8,2
Total	2 966,3	14,9	54,1	- 135,0	13,1	0,0	2 913,3

The asset value of Foncière des Murs amounted to €2,913 million as at 30 June 2014, up on a like-for-like basis by 0.7% on the half. The increase in values is mainly due to strong growth in capitalisation rates, given the investment in the very promising hotel sector.

■ Like-for-like change: +0.7%

(€m)	100% value ED 2013 GS	100% value ED H1 2014	Value ED H1 2014 GS	LFL change 6 months	Yield ED H1 2013	Yield ED H1 2014	% of total value
Paris exclu. CBD	379,2	365,4	359,7	1,5%	5,6%	5,7%	11%
Inner suburbs	324,6	312,7	292,7	0,5%	5,6%	6,1%	10%
Outersuburbs	250,3	293,0	256,6	2,5%	5,4%	6,1%	9%
Total Paris Regions	954,2	971,2	908,9	1,5%	5,6%	6,0%	30%
MRC	556,5	610,0	537,7	0,6%	6,2%	6,2%	19%
Other French Regions	1002,2	1100,4	961,2	0,0%	6,5%	6,5%	35%
International	453,5	505,5	505,5	0,7%	6,5%	6,5%	16%
Total	2 966,3	3 187,1	2 913,3	0,7%	6,2%	6,3%	100%

(€million)	100% value ED 2013 GS	100% value ED H1 2014	Value ED H1 2014 GS	LFL change 6 months	Yield ED H1 2013	Yield ED H1 2014	% of total value
Hotels	2 011,1	2 335,1	2 067,1	1,0%	6,3%	6,3%	73%
Healthcare	331,8	241,9	241,9	0,0%	6,5%	6,5%	8%
Retail Premises	597,6	596,1	596,1	0,1%	6,3%	6,3%	19%
Total in operation	2 940,6	3 173,1	2 905,1	0,7%	6,3%	6,3%	100%
Assets under development		14,0	8,2	1,5%	5,9%	6,5%	0%
Total	2 966,3	3 187,1	2 913,3	0,7%	6,3%	6,3%	100%

In the hotel sector, a like-for-like advance of 1.0% is noted, compared to the end of 2013. The healthcare sector is stable, due to the combined effect of the Indexation of rents (+0.6%) and the rise in transfer fees. The like-for-like stability of Retail Premises is due to the combined effect of compressed capitalisation rates and the rise in transfer fees.

D. RESIDENTIAL

Foncière Développement Logements, a subsidiary of Foncière des Régions, specialises in the holding of residential assets. In this six month period the company has separated its French portfolio (25% of the portfolio) and German portfolio (75% of the portfolio) as announced on 28 April 2014, by disposing of the capital of its German subsidiary IMMEO to its main shareholders. This transaction became effective on 9 July 2014.

On 30 June 2014, Foncière des Régions held 59.7% of Foncière Développement Logements.

1. Rents received - Germany: +2.0% on a like-for-like basis

■ Geographic breakdown

(€million)	Rental income H1 2013	Rental income H1 2014	Change (%)	Change (%) LFL	% of rental income
Paris and Neuilly	8,2	7,4	-9,7%	na	49%
IDF Excl. Paris and Neuilly	3,1	2,8	-9,5%	na	18%
Rhones Alpes	1,7	1,5	-12,0%	na	10%
PACA	2,0	2,1	3,4%	na	14%
Large Ouest	1,0	0,8	-15,6%	na	6%
East	0,5	0,5	-6,6%	na	3%
Total France	16,6	15,2	-8,5%	na	15%
Berlin	7,3	16,4	124,7%	5,8%	20%
Datteln	3,6	3,6	0,8%	1,1%	4%
Dresde	,0	2,6	na	na	3%
Duisburg	27,1	20,9	-23,0%	na	25%
Dusseldorf	1,2	,9	-25,0%	2,0%	1%
Essen	16,3	16,2	-0,7%	0,8%	19%
Mulheim	6,2	6,2	0,0%	1,4%	7%
Oberhausen	5,0	5,0	1,3%	2,1%	6%
Autre	11,2	11,5	3,3%	1,8%	14%
Total Germany	77,9	83,4	7,1%	2,0%	85%
Total	94,5	98,6	4,3%	na	100%

* Including an office building in Luxembourg

Rental Income was €98.6 million in the 1st half of 2014 compared to €94.5 million for the same period in 2013. This increase is mainly due to the impact of the Acquisitions completed in Germany during the 2nd half of 2013 and the 1st half of 2014.

2. Annualised rents: €207 million

■ Geographic breakdown

(€million)	Annualised rental income H1 2013	Annualised rental income H1 2014	Change (%)	% of rental income
Paris and Neuilly	16,4	14,5	- 11%	49%
IDF Exclud. Paris et Neuilly	6,1	5,5	- 11%	18%
Rhones Alpes	3,4	2,9	- 12%	10%
PACA	4,2	4,2	1%	14%
Large West	1,9	1,6	- 13%	6%
East	0,7	1,0	36%	3%
Total France	32,6	29,7	- 8,9%	15%
Berlin	15,1	36,6	141,4%	21%
Datteln	7,4	7,5	1,0%	4%
Dresde	0,0	5,1	na	3%
Duisburg	44,6	44,6	- 0,2%	25%
Dusseldorf	1,5	1,9	27,5%	1%
Essen	33,3	33,1	- 0,7%	19%
Mulheim	12,9	12,9	0,3%	7%
Oberhausen	10,5	10,4	- 0,6%	6%
Other	23,1	25,1	8,9%	14%
Total Germany	148,5	177,2	19,3%	85%
Total	181,1	206,9	14,2%	100%

* Including an office building in Luxembourg

Annual Rental Income are up in Germany due to the Acquisitions of 2013 and 2014.

3. Indexation

The index used to calculate the Indexation in France is the IRL. In Germany, rents are limited by the Mietspiegel.

4. Occupancy rate (in Germany)

(%)	2013	H1 2014
Germany		
Berlin	99,1%	99,3%
Datteln	99,2%	99,2%
Dresde	98,7%	98,9%
Duisburg	97,4%	96,7%
Dusseldorf	100,0%	100,0%
Essen	99,2%	99,1%
Mulheim	99,1%	99,2%
Oberhausen	97,2%	98,6%
Other	99,6%	98,4%
Total	98,7%	98,6%

The occupancy rate of operational assets is still high at 98.6% at 30 June 2014, stable compared to 30 June 2013 (98.7%).

5. Unpaid rent

(€million)	H1 2013	H1 2014
As % of rental income	1,16%	1,4%
In value *	1,1	1,4

* net provision / reversals of provision

The impact of unpaid rent on the income statement is stable as a percentage of annualised rents between 30 June 2014 and 30 June 2013, and remains at a manageable level.

6. Disposals and agreements for disposals: €194 million

(€ million)	Disposals (agreements as of end of 2013 closed)	Agreements as of end of H1 2013 to close	New disposals H1 2014	New agreements H1 2014	Total H1 2014	Margin vs 2013 value	Yield	Total
France	16,9	-	16,0	28,1	44,2	8,7%	1,7%	61,1
Germany	12,9	105,8	8,7	5,2	13,9	8,8%	4,6%	132,5
Total	29,8	105,8	24,7	33,3	58,0	8,7%	3,6%	193,6

In France, disposals were mainly assets located in Ile-de-France (70%). In Germany, disposals were mainly in the Ruhr (60%). The amount of new commitments amounted to € 58 million and were made with a margin of 8.7%.

7. Acquisitions: 95.3 million in Germany

Assets	Surface (sq.m)	Location	Acquisition Price (€million)	Yield *
Germany	79 043	Berlin, Dresde, Leipzig	95,3	6,4%
Total	79 043		95,3	6,4%

*Yield on potential rent

In Germany, three investment operations took place in Berlin, Dresden and Leipzig for an amount of €95.3 million including costs and taxes, i.e., €90.5 million excluding taxes. These acquisitions are fully in Foncière des Region's strategy to expand in Germany, dynamic regions with a high potential for rental growth.

8. Asset values

■ Changes in asset value

(€ million)	Value ED 2012	Value adjustment	Acquisitions	Disposals	Invest.	Transfer	Value ED S1 2014
France*	870,6	23,5	0,0	31,8	0,0	0,0	862,3
Germany	2 446,0	36,7	95,3	20,2	0,0	0,0	2 558,0
Total	3 316,6	60,2	95,3	52,0	0,0	0,0	3 420,3

*included an office in Luxembourg

On 30 June 2014, the consolidated Foncière Développement Logements portfolio was valued at €3.420 billion - a like for like increase of +1.8% over the six months.

■ Like-for-like change: +1.8%

(€million)	100% value ED 2013	100% value ED H1 2014	LFL change 6 months	Yield ED 2013	Yield ED H1 2014	% of total value
Total France*	871	862	2,8%	3,5%	3,4%	25%
Total Germany**	2 446	2 558	1,5%	6,6%	6,7%	75%
Total	3 317	3 420	1,8%	5,8%	5,9%	100%

*including an office in Luxembourg

**excluding xxx in Oberhausen

E. LOGISTICS

1. Accounted rental income: -1.8% like-for-like

(€m)	Surfaces (sqm)	rental income H1 2013	Rental income H1 2014	Change (%)	Change. (%) LFL	% rental income
Total	534 960	28,0	24,0	-14,3%	-1,8%	100%

The rents for the first half of 2014 amounted to €24.0 million, or a reduction of 14.3% in comparison with 30 June 2013. This variation is explained by:

- the disposals completed in H2 2013 and H1 2014 (-€3.9 million)
- the indexation and the staged rents (+€0.1 million)
- the arrivals and departures of tenants (in 2013, departures of Telemarket in Pantin and Decathlon in Bussy Saint George partially offset by lettings in Chalon) and the renewals (-€0.2 million).

On a like-for-like basis, rents are down by 1.8%.

The average rate of expenses in the first half of 2014 amounted to 20%, stable in comparison with 2013.

2. Annualised rents: €18.5 million

(€ million)	Surface (sq.m)	Number of assets	Annualised rental income 2013	Annualised rental income H1 2014	Change (%)	% of rental income
Total	534 960	10	56,2	18,5	-67,0%	100%

Following the disposals completed in the first half of 2014, the annualised rents fell by 67%.

3. Indexation

In France, the indices used to calculate the indexation are those of the ICC and the ILAT. The rents which benefit from a cap or a tunnel of indexation represent 22% of the annualised rents.

4. Rental activity

During the first half of 2014, 9,158m² of new leases were signed on the residual perimeter, particularly in Pantin, representing €0.5 million of annualised rents.

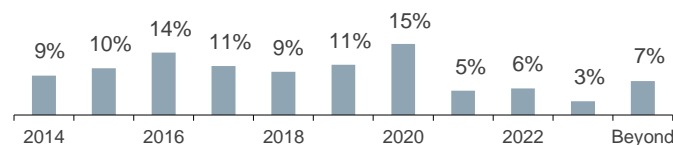
(€million)	Surface (sq.m)	Annualised rental income	Annualised rental income (€/sq.m)
Vacating	7 830	0,4	51
Letting	9 158	0,5	51
Renewal	64 457	2,4	37

5. Maturity date table and occupancy rate

- Maturity dates for the leases: 4.4 years of residual term for the leases (2.1 years firm)

As a result of the disposal programme carried out in the first half of 2014, the residual term of the leases in place is 4.4 years (2.1 years firm), down in comparison with the end of 2013 (5.5 years), and displays the following profile.

(€million)	By lease end date (1 st break)	% of total	By lease end date	% of total
2014	1,6	9%	1,6	9%
2015	6,8	37%	1,9	10%
2016	4,4	24%	2,5	14%
2017	3,0	16%	2,0	11%
2018	1,2	6%	1,7	9%
2019	1,6	8%	2,0	11%
2020	0,0	0%	2,9	15%
2021	0,0	0%	1,0	5%
2022	0,0	0%	1,1	6%
2023	0,0	0%	0,6	3%
Beyond	0,0	0%	1,4	7%
Total	18,5	100%	18,5	100%



- Occupancy rate and type: an occupancy rate of 75.5%

The spot occupancy rate fell to a level of 75.5% at 30 June 2014, as a result of the significant change in perimeter recorded over the first half of 2014. Over the residual portfolio, the vacancy rate is slightly down, thanks to the marketing efforts made on the Pantin site.

Occupancy rate (%)	2013	H1 2014
Total	85,5%	75,5%

6. Unpaid rent

(€million)	2013	H1 2014
As % of rental income	3,2%	0,0%
In value *	1,7	0,0

* net provision / reversals of provision

The impact of unpaid rents in the company's financial statements over the first half of 2014 is zero, down by €1.7 million in comparison with 31 December 2013, principally related to the judicial liquidation of Télémarket, recognised in the financial statements in 2013.

7. Disposals and agreements for disposals: €499 million

(€ million)	Disposals (agreements as of end of 2013 closed)	Agreements as of end of 2013 to close	New disposals S1 2014	New agreements S1 2014	Total S1 2014	Margin vs 2013 value	Yield	Total
Total	0,0	0,0	497,3	2,0	499,3	-0,7%	7,4%	499,3

Over the first half of 2014, Foncière des Régions continued its strategic refocusing by the deployment of an active rotation policy for its logistics portfolio. This policy has resulted in the finalisation of several sales processes for a total amount of €499 million.

- €473 million, representing 17 logistics platforms with a total surface area of almost 750,000m², sold to property funds managed by Blackstone
- €26 million of unitary properties sold to users.

8. Asset values

■ Changes in asset value

(€million)	Value ED H1 2013	Value adjustment	Acquisitions	Disposals	Invest.	Transfert	Value ED H1 2014
Total	790,9	- 5,4	0,0	- 503,4	7,0	0,0	289,1

Foncière des Régions holds a land by nearly 400,000 m² to eventually develop 90, 000m² of warehouse

■ Change on a like-for-like basis

Experts' valuations, on a like-for-like basis over six months, fell by 1.2%. This change is primarily related to a rent reduction of 1.8% LFL.

The entire portfolio being operated is valued on the basis of a yield in annualised rent of 6.4% at the end of June 2014.

(€million)	Value ED 2013 100%	Value ED H1 2014 100%	Value ED H1 2014 GS	LFL change 6 months	Yield ED 2013	Yield ED H1 2014	% of total value
Total	790,9	289	289	- 1,2%	7,4%	6,4%	100%

4. FINANCIAL INFORMATION AND COMMENTS

The business of Foncière des Régions consists of the acquisition, ownership, administration and leasing of properties, developed or otherwise, specifically in the office, hotel, service and parking sectors.

Registered in France, Foncière des Régions is a limited company (société anonyme) with a Board of Directors.

A. SCOPE OF CONSOLIDATION

The scope of consolidation of Foncière des Régions as at 30 June 2014 includes companies located in France and in six European countries (in Italy for Offices, Hotels and Service and Residential, in Portugal, Belgium, Netherlands and Luxembourg for the Service Sector).

The main percentages of control during the year were as follows:

Subsidiaries	H1 2013	2013	H1 2014
Foncière Développement Logements	31,6%	59,7%	59,7%
Foncière des Murs	28,3%	28,3%	28,3%
Beni Stabili	50,9%	50,9%	50,9%
OPCI CB 21 (Tour CB 21)	75,0%	75,0%	75,0%
Urbis Park	59,5%	59,5%	59,5%
Fédérismo (Carré Suffren)	60,0%	60,0%	60,0%
SCI Latécoère (DS Campus)	50,1%	50,1%	50,1%
SCI 11, Place de l'Europe (Campus Eiffage)	100,0%	50,1%	50,1%
Lenovilla (New Velizy)	50,1%	50,1%	50,1%

Note that Foncière des Régions increased its equity interest in Foncière Développement Logements following the public offer of exchange in August 2013. On completion of this public offer of exchange, Foncière des Régions held 59.7% of Foncière Développement Logements, which is fully consolidated as of 1 August 2013.

B. ACCOUNTING STANDARDS

The consolidated financial statements were prepared in accordance with IAS 34 "International financial information". They were approved by the Board of Directors on 23 July 2014.

The consolidated financial statements as at 30 June 2014 were prepared in accordance with the accounting standards and interpretations issued by the IASB and adopted by the European Union on the date of preparation.

In application of IFRS 5, the Logistics business, 63% of the assets of which were disposed of during the first half, is presented as "Discontinued operations" in the financial statements. The tables below present the financial statements separately before and after the reclassification of the Logistics business. Note that this reclassification does not alter net income and that the changes in the income statement are calculated before the reclassification of "Discontinued operations".

C. EPRA INCOME STATEMENTS

(€million)	Consolidated				GS				Change GS
	H1 2013	H1 2014 before reclassification	Discontinued operations	H1 2014	H1 2013	H1 2014 before reclassification	Discontinued operations	H1 2014	%
Rental income	381,3	462,2	24,0	438,2	243,9	287,7	24,0	263,7	18,0%
Unrecovered rental costs	-18,7	-22,0	-3,1	-18,9	-12,6	-14,3	-3,1	-11,2	13,1%
Expenses on properties	-7,2	-13,2	-1,0	-12,2	-4,6	-8,1	-1,0	-7,1	77,2%
Net expenses on unrecoverable receivables	-4,3	-3,1	0,0	-3,1	-2,6	-1,7	0,0	-1,7	-35,6%
Net rental income	351,0	423,9	19,9	403,9	224,0	263,5	19,9	243,6	17,6%
<i>ratio of costs to revenues</i>	<i>7,9%</i>	<i>8,3%</i>	<i>17,1%</i>	<i>7,8%</i>	<i>8,1%</i>	<i>8,4%</i>	<i>17,1%</i>	<i>7,6%</i>	<i>0,0%</i>
Management and administration revenues	9,3	12,0	0,3	11,7	9,4	11,6	0,3	11,3	23%
Activity-related costs	-2,4	-2,9	-0,1	-2,8	-1,7	-1,7	-0,1	-1,6	0%
Committed fixed costs	-34,5	-51,1	-0,8	-50,4	-26,8	-37,0	-0,8	-36,2	38%
Development costs	-0,2	-0,2	0,0	-0,2	-0,2	-0,1	0,0	-0,1	-45%
Net cost of operations	-27,8	-42,2	-0,6	-41,6	-19,3	-27,2	-0,6	-26,6	41%
Income from other activities	8,1	13,2	0,0	13,2	5,5	10,6	0,0	10,6	94%
Depreciation of operating assets	-7,3	-7,9	0,0	-7,9	-5,0	-5,2	0,0	-5,2	4%
Net change in provisions and other	4,1	-3,7	-2,1	-1,6	4,4	-2,8	-2,1	-0,8	-164%
Current operating income	328,1	383,1	17,2	365,9	209,6	238,9	17,2	221,6	14%
Net income from inventory properties	-1,6	-0,6	0,0	-0,6	-1,0	-0,4	0,0	-0,4	-59%
Income from asset disposals	0,8	-10,9	-7,6	-3,2	-1,3	-10,5	-7,6	-2,9	715%
Income from value adjustments	26,4	66,7	-6,0	72,7	12,5	43,3	-6,0	49,3	247%
Income from disposal of securities	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0%
Income from changes in scope	3,2	27,9	27,9	0,0	3,2	28,1	28,1	0,0	782%
Operating income	356,8	466,3	31,8	434,5	223,0	299,3	31,8	267,5	34%
Income from non-consolidated companies	8,9	0,0	0,0	0,0	8,9	0,0	0,0	0,0	-100%
Cost of net financial debt	-139,8	-151,7	-5,9	-145,7	-88,3	-92,1	-5,9	-86,2	4%
Value adjustment on derivatives	74,4	-216,9	-5,3	-211,6	53,6	-144,7	-5,3	-139,4	-370%
Discounting of liabilities and receivables	-1,4	-4,2	-0,2	-4,0	-1,3	-2,9	-0,2	-2,8	129%
Net change in financial and other provisions	-13,0	-21,9	0,0	-21,9	-7,1	-12,8	0,0	-12,8	82%
Share in earnings of affiliates	25,0	10,4	0,0	10,4	22,4	9,5	0,0	9,5	-58%
Pre-tax income	310,9	82,0	20,4	61,6	211,3	56,3	20,4	35,9	-73%
Deferred tax	-2,2	-9,0	0,4	-9,4	-4,5	-2,3	0,4	-2,7	-48%
Corporate income tax	-4,0	-3,8	0,4	-4,2	-1,7	-2,3	0,4	-2,7	32%
Net income from continuing operations	304,8	69,2	0,0	48,0	205,1	51,7	0,0	30,4	-75%
Post-tax profit or loss of discontinued operations	0,0	0,0	0,0	21,2	0,0	0,0	0,0	21,2	0%
Net income from discontinued operations	0,0	0,0	0,0	21,2	0,0	0,0	0,0	21,2	0%
Net income for the periode	304,8	69,2	21,2	69,2	0,0	51,7	21,2	51,7	-75%
Non-controlling interests	-99,6	-17,5	0,0	-17,5	0,0	0,0	0,0	0,0	0%
Net income for the period - GS	205,1	51,7	21,2	51,7	205,1	51,7	21,2	51,7	-75%

■ Rental Income

Rental income, Group share, rose 18% to €287.7 million (vs. €243.9 million), mainly due to the consolidation of the Residential business (€58 million). This increase in rental income was offset by the effect of asset disposals.

The change in rental income by sector was as follows:

- decrease in rental income in the Offices France sector (€8.8 million, GS), related to disposals
- decrease in rental income for Hotels/Service sector (€1.6 million, GS) related to sales and the drop in Accor's revenues.
- decrease in rental income for Logistics (€4 million, GS), due to disposals in 2013 and 2014.

In consolidated data, rental income increased 21.2% (up €80.9 million):

- Offices France -€7.7 million (-5.7%)
- Offices Italy -€0.4 million (+0.3%)
- Hotels/Service Sector -€5.5 million (-5.4%)
- Logistics -€4 million (-14.4%)
- Residential +€98.6 million (n/a)

■ Net operating costs

Net operating costs, before reclassification of discontinued operations amounted to €27.2 million (GS) at 30 June 2014 (€42.2 million on a consolidated basis), up from €19.3 million at 30 June 2013 (€27.8 million on a consolidated basis), giving an increase of 41%.

This increase stems primarily from the consolidation of the Residential business. Stripping out the impact of Residential, net operating costs dipped slightly in H1 2014. These overhead expenses mainly consist of payroll, attorneys' fees, auditors' fees, and office, communications and IT costs.

■ Income from other activities

Other business income mainly concerns the parking activity, i.e. car parks owned or under concession, as well as property development.

Net income from these businesses was up in first-half 2014. Other business income stood at €10.6 million at 30 June 2014 (in Group share), compared to €5.5 million for the same period in the prior year.

■ Depreciation and provisions

Allowances for depreciation and provisions during the period consisted largely of depreciation on operating properties and car parks.

■ Change in the fair value of assets

The income statement recognises changes in the fair value of assets based on appraisals conducted on the portfolio. In first-half 2014, the change in the fair value of investment assets was positive by €43.3 million for the Group share and €66.7 million on a consolidated basis, versus €12.5 million (GS) at 30 June 2013 (+€26.4 million at 100%).

Operating income, Group share, thus amounted to 299.3 million at 30 June 2014, as against €223 million at 30 June 2013.

■ Financial costs and fair value

Financial expenses stood at €92.1 million in Group share (compared to €88.3 million as at 30 June 2013) and at €151.7 million on a consolidated basis (vs. €139.8 million as at 30 June 2013). The amount of interest capitalised on assets under development amounted to €10.2 million (Group share) for first-half 2014.

The change in the fair value of financial instruments was negative €144.7 million in Group share at 30 June 2014 (-€216.9 million on a consolidated basis), compared to positive €53.6 million in Group share (+€74.4 in consolidated data) at 30 June 2013. This was after a reduction in long-term rates between the two periods and a change in the fair value of the ORNANE between 2013 and 2014 (-€83.9 million in Group share and -€112.9 million at 100%).

■ Share in earnings of affiliates

Consolidated data	% interest	Value 2013	Contribution to earnings	Value 2012	Change (%)
OPCIFoncière des Murs	19,90%	68,9	-2,9	71,8	-4,0%
SCILatécoère (Dassault Campus)	50,10%	94,4	-0,9	95,3	-0,9%
Lénovilla (New Velizy)	50,10%	10,6	3,7	6,9	53,6%
Other equity interests	0,00%	10,2	-0,5	10,8	-5,6%
Total		184,1	-0,7	184,8	-0,4%

■ Income from changes in scope

Income from changes in the scope of consolidation was €27.9 million and corresponds, especially, to the earnings impact of the disposal of companies in the Logistics sector (reversal of deferred tax).

Income from non consolidated affiliates

Income from non consolidated companies at 30 June 2013 pertains to €8.9 million in dividends from Altarea. Note that the Group had disposed of its entire holding in this company, since September 2013.

Tax regime

Taxes determined are for:

- Foreign companies not covered or only partially covered by a specific scheme for real estate businesses
- French subsidiaries not having opted for the SIIC regime
- French SIIC or Italian subsidiaries with taxable activity.

EPRA recurrent net income

(€million) Group share	H1 2013	H1 2014 before reclassification	Change	%
Net rental income	225,6	263,5	37,9	16,8%
Net operating costs	- 18,0	- 26,2	- 8,2	45,6%
Income from other activities	5,6	10,5	4,9	87,5%
Net change in provisions and other	0,0	0,0	0,0	n.a
Cost of net financial debt	- 87,5	- 89,8	- 2,3	2,6%
Recurrent net income from equity affiliates	15,9	7,0	- 8,9	- 56,0%
Income from non consolidated affiliates	8,9	0,0	- 8,9	n.a
Recurrent tax	- 1,2	- 1,4	- 0,2	16,7%
EPRA recurrent net income	149,3	163,6	14,3	9,6%
EPRA recurrent net income per share	2,6	2,6	0,0	0,4%
Fair value adjustment on real estate assets	12,5	43,3	30,8	246,4%
Other asset value adjustments	0,0	0,0	0,0	n.a
Fair value adjustment on financial instruments	53,6	- 144,7	- 198,3	- 370,0%
Other	- 5,8	- 7,3	- 1,5	25,9%
Non-recurrent tax	- 4,5	- 3,2	1,3	- 28,9%
Net income	205,1	51,7	- 153,4	- 74,8%
Diluted average number of shares	57 494 770	62 699 082	5 204 312	9,1%

	Net income GS	Restatements	EPRA RNI
Net rental income	263,5	0,0	263,5
Operating costs	- 27,2	1,1	- 26,1
Income from other activities	10,6	- 0,2	10,5
Depreciation of operating assets	- 5,2	5,2	0,0
Net change in provisions and other	- 2,8	2,8	0,0
Current operating income	238,9	8,9	247,8
Net income from inventory properties	- 0,4	0,4	0,0
Income from asset disposals	- 10,5	10,5	0,0
Income from value adjustments	43,3	- 43,3	0,0
Income from disposal of securities	0,0	0,0	0,0
Income from changes in scope	28,1	- 28,1	0,0
Operating income	299,3	- 51,5	247,8
Income from non-consolidated companies	0,0	0,0	0,0
Cost of net financial debt	- 92,1	2,3	- 89,8
Value adjustment on derivatives	- 144,7	144,7	0,0
Discounting of liabilities and receivables	- 2,9	2,9	0,0
Net change in financial provisions	- 12,8	12,8	0,0
Share in earnings of affiliates	9,5	- 2,5	7,0
Pre-tax net income	56,3	108,7	165,0
Deferred tax	- 2,3	2,3	0,0
Corporate income tax	- 2,3	0,9	- 1,4
Net income for the period	51,7	111,9	163,6

(a) Non cash amount from the result of affiliates

D. Balance sheet

Consolidated balance sheet

(€million)	2013	before reclassification	Discontinued operations	H1 2014	2013	before reclassification	Discontinued operations	H1 2014
Non-current assets								
Intangible assets	154	151	0	151	188	188	0	188
Tangible assets	108	106	0	106	2 371	2 291	0	2 291
Investment properties	14 298	13 804	0	13 804	- 11	- 4	0	- 4
Financial assets	156	200	0	200	1 402	1 562	0	1 562
Equity affiliates	185	184	0	184	340	52	0	52
Deferred tax assets	90	96	0	96	4 290	4 089	0	4 089
Long-term financial instruments	12	29	0	29	2 925	2 829	0	2 829
Total non-current assets (I)	15 002	14 569	0	14 569	7 215	6 918	0	6 918
Current assets								
Assets held for sale	1 197	1 140	289	851	7 520	7 943	0	7 943
Loans and finance lease receivables	10	4	0	4	476	602	18	584
Inventories and work-in-progress	80	82	0	82	295	256	0	256
Short-term financial instruments	11	16	0	16	41	41	0	41
Trade receivables	283	338	14	325	38	100	3	97
Current tax	3	7	4	3	8 369	8 943	22	8 921
Other receivables	202	261	5	257				
Accrued expenses	12	18	1	17				
Cash and cash equivalents	382	834	2	832				
Discontinued operations	0	0	0	315				
Total current assets (II)	2 179	2 700	315	2 700	1 597	1 408	36	1 430
Total assets (I+II+III)	17 181	17 269	315	17 269	17 181	17 269	57	17 269
Shareholders' equity								
Capital					188	188	0	188
Additional paid-in capital					2 371	2 291	0	2 291
Treasury stock					- 11	- 4	0	- 4
Consolidated reserves					1 402	1 562	0	1 562
Earnings share					340	52	0	52
Non-controlling interests					4 290	4 089	0	4 089
Total shareholders' equity (I)					7 215	6 918	0	6 918
Non-current liabilities								
Long-term borrowings					7 520	7 943	0	7 943
Long-term financial instruments					476	602	18	584
Deferred tax liabilities					295	256	0	256
Pension and other liabilities					41	41	0	41
Other long-term debt					38	100	3	97
Total non-current liabilities (III)					8 369	8 943	22	8 921
Current liabilities								
Liabilities held for sale								
Trade payables					110	137	8	129
Short-term borrowings					979	813	1	812
Short-term financial instruments					95	88	2	86
Tenant security deposits orders					6	6	0	6
Short-term provisions					134	159	10	149
Current tax					17	18	0	18
Other debt					5	4	0	5
Accruals					47	41	0	41
Discontinued operations					0	0	0	57
Total current liabilities (IV)					1 597	1 408	36	1 430
Total liabilities (I+II+III+IV)					17 181	17 269	57	17 269

Simplified consolidated balance sheet

	H1 2014 before reclassification	H1 2014		H1 2014 before reclassification	H1 2014
Assets			Liabilities		
Fixed assets	14 061	14 061	Shareholders' equity	4 089	4 089
Equity affiliates	184	184	Non-controlling interests	2 829	2 829
Financial assets	200	200	Shareholders' equity	6 918	6 918
Deferred tax assets	96	96	Borrowings	8 756	8 755
Financial instruments	45	45	Financial instruments	690	670
Actifs destinés à la vente	1 140	851	Deferred tax liabilities	256	256
Cash	834	832	Other liabilities	648	669
Other	710	1 001			
Total	17 269	17 269	Total	17 269	17 269

Simplified balance sheet, Group share

	H1 2014 before reclassification	H1 2014		H1 2014 before reclassification	H1 2014
Assets			Liabilities		
Fixed assets	8 222	8 222	Shareholders' equity	4 089	4 089
Equity affiliates	134	134	Borrowings	5 478	5 477
Financial assets	185	185	Financial instruments	485	465
Deferred tax assets	49	49	Deferred tax liabilities	129	129
Financial instruments	39	39	Other	468	489
Assets held for sale	871	582			
Cash	670	668	Total	10 649	10 649
Other	480	771			
Total	10 649	10 649	Total	10 649	10 649

■ Shareholders' equity

The Group share of consolidated shareholders' equity declined from €4,290 million at end-2013 to €4,089 million at 30 juin 2014, a decrease of €200.8 million, primarily due to:

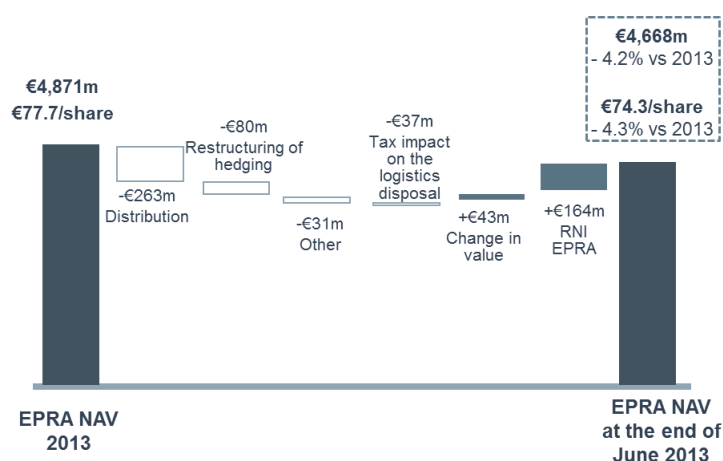
- income for the period +€51.7 million
- impact of dividend distribution -€262.7 million
- financial instruments included in shareholders' equity +€8 million.

■ Net debt

Foncière des Régions' net debt amounted to €5,509 million in Group share, and €8,769 million on a consolidated basis. Net debt at 30 June 2014 was €4,834 million (GS) and €7,923 million (on a consolidated basis), compared to €5,098 million (GS) and €8,117 (consolidated) at end-2013. Net debt fell €263.8 million in Group share (decline €194.5 million consolidated).

5. Net Asset Value (NAV)

	2013	H1 2014	Var. vs 2013	Var. (%) vs 2013
EPRA NAV (€million)	4 871,1	4 668,1	-203,0	-4,2%
EPRA NAV / share (€)	77,7	74,3	-3,4	-4,4%
EPRA triple net NAV (€million)	4 342,1	4 059,2	-282,9	-6,5%
EPRA triple net NAV / share (€)	69,2	64,6	-4,6	-6,7%
Number of shares	62 708 431	62 796 034	87 603	0,1%



	(€million)	€share
Shareholders' equity	4 089,3	65,12
Fair value assessment of buildings (operation + inventory)	21,5	
Fair value assessment of parking facilities	33,0	
Fair value assessment of goodwill	2,8	
fixed debt and BENISTABILI inflation swap	-103,4	
Restatement of value ED	16,0	
EPRA triple net NAV	4 059,2	64,64
Financial instruments and fix rate debt	424,1	
Deferred tax	80,3	
ORNANE	104,6	
EPRA NAV	4 668,2	74,34
IFRS NAV	4 089,3	65,12

The property portfolio held directed by the Group was valued in full at 30 June 2014, by property experts including REAG and members of the AFREXIM: DTZ Eurexi, CBRE, JLL, BNP Paribas Real Estate, Cushman, on the basis of joint technical specifications prepared by the company, in compliance with professional practices.

Assets were estimated at values excluding and/or including duties, and rents at market value. Estimates were made using the comparative method, the rent capitalisation method and the discounted future cash flows method.

Car parks were valued by capitalising the gross operating surplus generated by the business.

Other assets and liabilities were valued based on the IFRS values on the consolidated financial statements. The application of the fair value essentially concerns the valuation of the debt coverages and the ORNANES.

For companies shared with other investors, only the Group share was taken into account.

■ Fair value adjustment for the buildings and business goodwill

In accordance with IFRS standards, buildings operated as businesses and in stocks are valued at the historical cost. A value adjustment, in order to take into account the value of assessment, is recognised in the RNA for a total amount of €21.5 million.

Since business goodwill is not recognised in the consolidated financial statements, a restatement in order to recognise its fair value (as calculated by the valuers) is recognised in the RNA for an amount of €2.8 million as at 30 June 2014.

■ Fair value adjustment for the car parks

Car parks are valued at historical cost in the consolidated financial statements. A restatement is made in the NAV to take into account the appraisal value of these assets, as well as the effect of the farm-outs and subsidies received in advance. The impact on the RNA is €33 million at 30 June 2014.

■ Recalculation of the base cost excluding duties of certain assets

When a company, rather than the asset that it holds, can be sold off, transfer duties are recalculated based on the company's net asset value. The difference between these recalculated duties and the transfer duties already deducted from the value of the assets generates a restatement of €16 million at 30 June 2014.

■ Fair value adjustment for fixed-rate debts

The group has taken out fixed-rate loans. In accordance with the principles set out by the EPRA, the triple net RNA is corrected by the fair value of the fixed-rate debt, or an impact at 30 June 2014 of – €103.4 million.

6. FINANCIAL RESOURCES

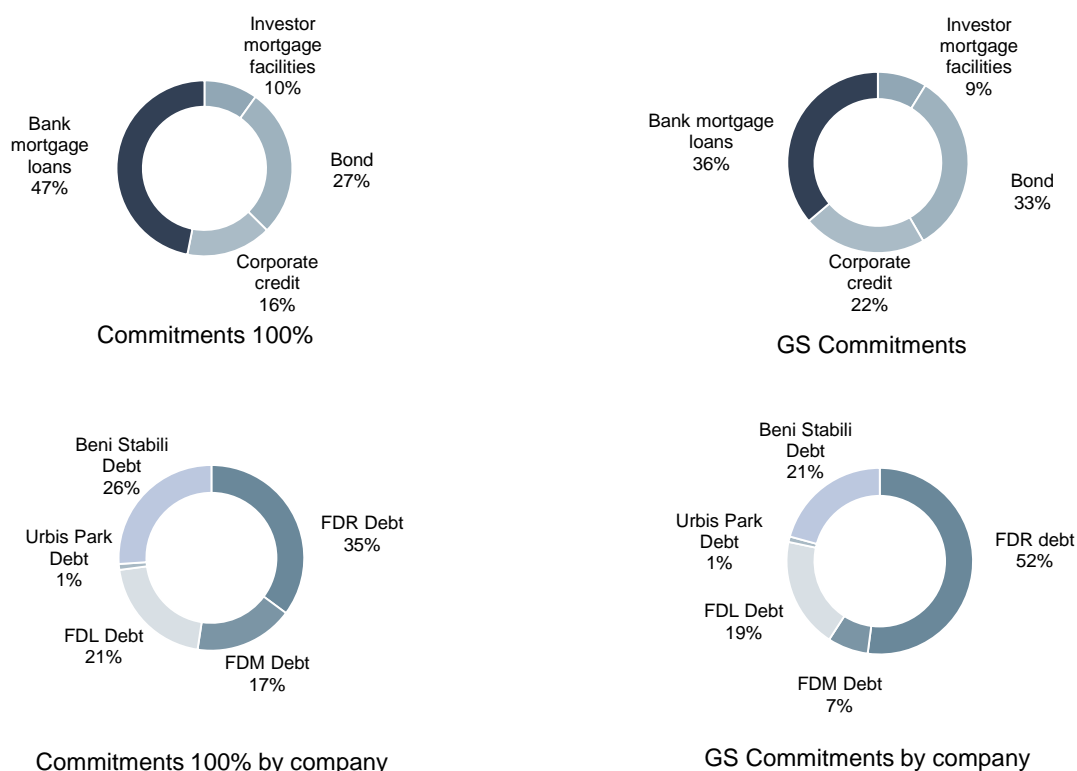
A. Main debt characteristics

GS	2013	H1 2014
Net debt, Group share (€million)	5 098	4 832
Average annual rate of debt	3,94%	3,48%
Average maturity of debt (in years)	4,5	4,2
Debt active hedging spot rate	80%	82%
Average maturity of hedging	4,9	4,8
LTV Including Duties	46,5%	46,2%
ICR	2,49	2,76

1. Debt by type

Foncière des Régions' net debt GS amounted to €4.8 billion as at 30 June 2014 (€7.9 billion on a consolidated basis).

As a share of total debt, Corporate debt rose from 48% at 31 December 2013 to 55% at 30 June 2014, notably due to the issue of new bonds during the financial year totalling €0.3 billion for the Group Share.



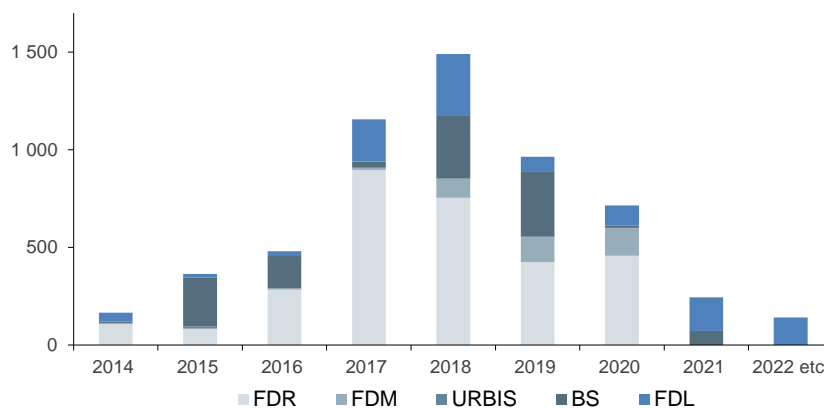
In addition, as at 30 June 2014, cash and cash equivalents at Foncière des Régions amounted to almost €1.7 billion (Group Share) and to €2 billion on a consolidated basis. These amounts do not include the unused portion of loans allocated to development projects under way.

2. Debt maturity

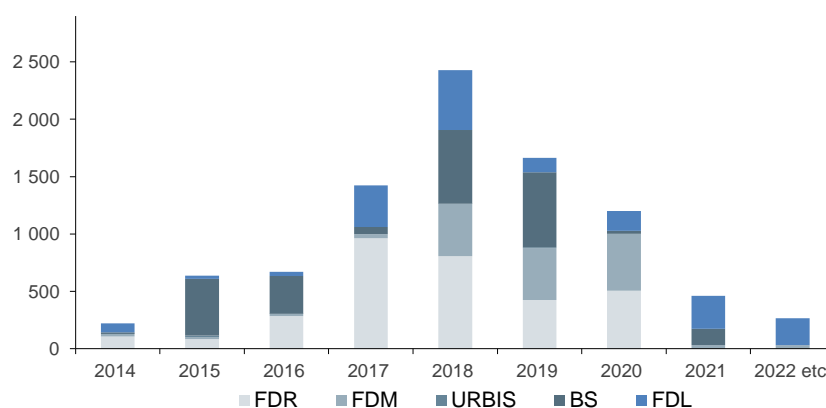
The average maturity of Foncière des Régions debt was 4.2 years at end-June 2014.

The 2014 and 2015 maturities are covered entirely by existing cash. 2014 maturities primarily concern Foncière des Régions (€106 million).

2015 maturities concern Beni Stabili (€493 million on a consolidated basis and €251 million in Group share) and Foncière des Régions (€82 million).



Debt maturity commitments - Group share



Debt maturity commitments at 100%

3. Main changes during the period

- New debt issues: €1.4 billion at 100% (€0.7 billion, Group Share)
 - Beni Stabili: €776 million raised and renegotiated in first-half 2014 (€395 million in Group share)
 - Beni Stabili placed a €350 million, unsecured inaugural bond issue in January 2014 with an annual coupon of 4.125% and maturing in four years, i.e. in January 2018.
 - As part of the diversification of its sources of financing, in March 2014, Beni Stabili successfully completed a private placement with institutional investors for a total of €250 million with a 3.50% coupon. The bond matures in April 2019.
 - In addition, Beni Stabili took out €60 million in new bank financing in the six-month period.
 - Lastly, Beni Stabili renegotiated three existing bank loans (€116 million) securing better conditions.

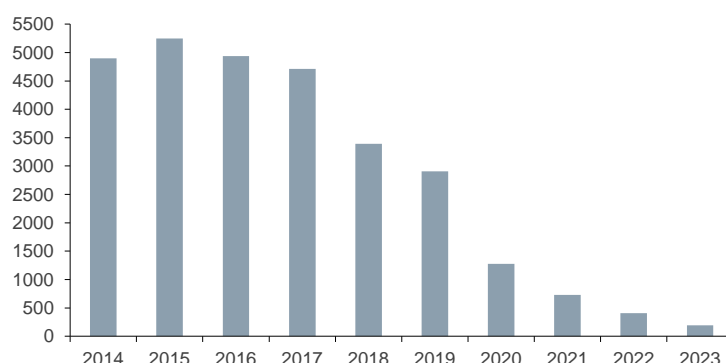
- Hotels and Service sector: €209 million raised in 2014 (€59 million in GS)
 - In May 2014, Foncière des Murs took out €209 million in loans backed by a diversified asset portfolio mainly comprised of hotel assets, to:
 - refinance the balance of mortgage loans set up in 2007
 - refinance the €60 million mortgage loan taken out in 2013 to optimise the financial conditions of the facility.

- Residential: €410 million raised in 2014 (€245 million in GS)
 - In first-half 2014, Foncière Développement Logements (FDL) raised €60 million in new financing in Germany with maturities of four to five years, intended to finance acquisitions of residential portfolios in Berlin, Dresden and Leipzig.
 - In France, FDL refinanced the Stockholm 1 and 2 loans in January 2014 with new debt for an initial amount of €350 million.

4. Hedging profile

During the 2014 financial year, the hedge management policy remained unchanged, with debt hedged at 90% to 100%, at least 75% of which had short-term hedges and all of which have maturities exceeding debt maturity.

Based on net debt at the end of June 2014, Foncière des Régions is covered (in Group Share) up to 84% in short term hedges compared to 94% at the end of 2013. The average term of the hedges is 4.8 years for Group Share.



5. Average interest rate on the debt and sensitivity

The average rate on the debt of Foncière des Régions stood at 3.48% in GS (end June 2014), compared to 3.94% in 2013. This decrease is primarily due to the full-year impact of bond issues, as well as hedge restructuring, including:

- the issue of a €270 million Beni Stabili ORNANE (October 2013) at 2.625% for five years and six months
- the issue of a Foncière des Régions €345 million ORNANE (November 2013) at 0.875% for five years and four months.

For information purposes, a 50 bps drop in the three-month Euribor rate would have a positive impact of €0.7 million on recurring net income for 2014. The impact would be negative by €0.8 million in the event of a 50 bps hike.

B. FINANCIAL STRUCTURE

Except for the debt raised without recourse to the group's property companies, the debt of Foncière des Régions and its subsidiaries generally includes bank covenants (based on ICR and LTV) on the borrower's consolidated financial statements. If these covenants are breached, early debt repayment could be required. These covenants are established in Group Share for Foncière des Régions and for Foncière des Murs and on a consolidated basis for the subsidiaries of Foncière des Régions (if their debts include them).

- The most restrictive consolidated LTV covenants at 30 June 2014 were 60% for Foncière des Régions, Foncière des Murs, Foncière Développement Logements and Beni Stabili.
- The threshold for consolidated ICR covenants differs from one property company to another, depending on the type of assets, and may be different from one debt to another even for the same property company, depending on debt seniority.

The most restrictive ICR consolidated covenant applicable to the property investment companies are the following:

- for Foncière des Régions: 200%
 - for Foncière des Murs: 200%
 - for Foncière Développement Logements: 150%
 - for Beni Stabili: 140%
- Moreover, for some scopes financed through dedicated debt, there are specific covenants which may be added to or replace the consolidated covenants.
 - Finally, with respect to Foncière des Régions, corporate loans have been amended following 2013 renegotiations. In particular for some they include the following ratios:

All covenants were fully complied with at the end of 2014. No loan has an accelerated payment clause contingent on a Foncière des Régions rating.

Ratio	Covenant	S1 2014
LTV	60,0%	50,6%
ICR	200,0%	276,0%
LTV IAssets	62,5% / 65%	56,2%
Secural debt ratio	22,5% / 25%	11,0%

■ LTV calculation details

€M GS	2013	S1 2014
Net book debt*	5 098	4 832
Receivables on disposals	-413	-351
Security deposits received	-11	-44
Finance lease-backed debt	-3	-3
Net debt	4 671	4 435
Appraised value of real estate assets (ID)	10 204	9 681
Preliminary sale agreements	-413	-351
Financial assets	40	37
Goodwill	3	3
Receivables linked to associates	79	92
Share of equity affiliates	132	134
Value of assets	10 044	9 595
LTV ED	48,9%	48,7%
LTV ID	46,5%	46,2%

Adjusted for changes in fair value of convertible bond (-€30 million)

7. FINANCIAL INDICATORS OF THE MAIN ACTIVITIES

	Foncière des Murs			Beni Stabili		
	2013	2014	Var. (%)	2013	2014	Var. (%)
EPRA Recurrent net income (€million)	64,1	57,9	-9,7%	35,9	42,0	17,0%
EPRA Recurrent net income (€share)	1,00	0,90	-9,7%	0,02	0,02	16,0%
EPRA NAV (€share)	26,2	25,3	-3,4%	1,060	1,030	-2,8%
EPRA triple net NAV (€million)	23,3	22,0	-5,6%	0,960	0,886	-7,7%
% of capital held by FDR	28,3%	28,3%		50,9%	50,9%	
LTV ID	40,9%	42,8%		49,9%	50,9%	
ICR	3,2	3,2		1,6	1,7	

	Foncière Développement Logements		
	2013	2014	Var. (%)
EPRA Recurrent net income (€million)	34,0	39,9	17,3%
EPRA Recurrent net income (€share)	0,49	0,58	17,3%
EPRA NAV (€share)	22,90	22,95	0,2%
EPRA triple net NAV (€million)	20,00	19,20	-4,0%
% of capital held by FDR	31,6%	59,7%	
LTV ID	44,6%	46,6%	
ICR	2,2	2,4	

8. FINANCIAL INDICATORS OF THE MAIN ACTIVITIES

■ Cost of development projects

This indicator is calculated including interest costs. It includes the costs of the property and costs of construction.

■ Debt interest rate

• Average cost:

Financial Cost of Bank Debt for the period

+ Financial Cost of Hedges for the period

Average bank debt outstanding in the year

- Spot rate: Definition equivalent to average interest rate over a period of time restricted to the last day of the period.

■ Definition of the acronyms and abbreviations used:

- MR: Major Regional Cities, i.e. Bordeaux, Grenoble, Lille, Lyon, Metz, Aix-Marseille, Montpellier, Nantes, Nice, Rennes, Strasbourg and Toulouse
- ED: Excluding Duties
- ID: Including Duties
- IDF: Paris region (Île-de-France)
- ILAT: French office rental index
- CCI: Construction Cost Index
- CPI: Consumer Price Index
- RRI: Rental Reference Index
- PACA: Provence-Alpes-Côte-d'Azur
- LFL: Like-for-Like
- GS: Group share
- CBD: Central Business District

- Rtn: Yield
- Chg: Change
- MRV: Market Rental Value

- Firm residual term of leases

Average outstanding period remaining of a lease calculated from the date a tenant first takes up an exit option.

- Green Assets

Green” buildings, according to IPD, are those where the building and/or its operating status are certified as HQE, BREEAM, LEED, etc. and/or which have a recognised level of energy performance such as the BBC-effinergieR, HPE, THPE or RT Global certifications.

- Like-for-like change in value

This indicator is used to compare asset values from one financial year to another without accounting for changes in scope, such as acquisitions, disposals, development projects, etc.

Change in value as shown in the portfolio table is a figure that includes work carried out on existing assets. The restated like-for-like change in value of this work is cited in the comments section.

- Loan To Value (LTV)

The LTV calculation is detailed in Part 7 “Financial Resources”.

- Net asset value per share (NAV/share), and Triple Net NAV per share

NAV per share (Triple Net NAV per share) is calculated pursuant to the EPRA recommendations, based on the shares outstanding as at year-end (excluding treasury shares) and adjusted for the effect of dilution.

- Occupancy rate

The occupancy rate corresponds to the spot financial occupancy rate at the end of the period and is calculated using the following formula:

$$1 - \frac{\text{Loss of rental income through vacancies (calculated at MRV)}}{\text{rental income of occupied assets} + \text{loss of rental income}}$$

This indicator is calculated solely for properties on which asset management work has been done and therefore does not include assets available under pre-leasing agreements. Occupancy rate are are calculated using annualized data.

■ Operating assets

Properties leased or available for rent and actively marketed.

■ Portfolio

The portfolio presented includes investment properties, properties under development, as well as operating properties and properties in inventory for each of the entities, stated at their fair value. For offices in France, the portfolio includes asset valuations of DS Campus, Euromed and New Velizy, which are consolidated under the equity method.

■ Projects

- Committed project: these are projects for which promotion or built contracts, work has begun and has not yet been completed at the closing date. They might pertain to VEFA (pre-construction) projects or to the repositioning of existing assets.
- Controlled project: These are projects that might be undertaken. In other words, projects for which the decision to launch operations has not been finalized.

■ Recurring Net Income EPRA per share (RNI/share)

Recurring Net Income per share is calculated pursuant to the EPRA recommendations, based on the average number of shares outstanding (excluding treasury shares) over the period under consideration and adjusted for the effect of dilution

■ Rental Income

- Recorded rent corresponds to gross rental income accounted for over the year by taking into account deferment of any relief granted to tenants, in accordance with IFRS standards.
- The like-for-like rental income posted allows comparisons to be made between rental income from one year to the next, before taking changes to the portfolio (e.g. acquisitions, disposals, building works and development deliveries) into account. This indicator is based on assets in operation, i.e. properties leased or available for rent and actively marketed.
- Annualised rental income corresponds to the gross amount of guaranteed rent for the full year based on existing assets at the period end, excluding any relief.

■ Surface

SHON: Gross surface

SUB: Gross used surface

■ Unpaid rent (%)

Unpaid rent corresponds to the net difference between charges, reversals and unrecoverable loss of income divided by rent invoiced. These appear directly in the income statement under net cost of unrecoverable income (except in Italy for which not relating to unpaid rents were retired)

■ Yields/return

- The portfolio returns are calculated according to the following formula:

$$\frac{\text{Gross annualised rent (not corrected for vacancy)}}{\text{Value excl. duties for the relevant scope (operating or development)}}$$

- The returns on asset disposals or acquisitions are calculated according to the following formula:

$$\frac{\text{Gross annualised rent (not corrected for vacancy)}}{\text{Acquisition or disposal value excl. duties}}$$